THE NATIONAL ARCHIVES

FEDERAL REGISTER

OF THE UNITED STATES

VOLUME 16 NUMBER 93

Washington, Saturday, May 12, 1951

TITLE 3—THE PRESIDENT

EXECUTIVE ORDER 10243

EXTENSION OF THE PROVISIONS OF PART I OF EXECUTIVE ORDER NO. 10210 OF FEBRUARY 2, 1951, TO THE FEDERAL CIVIL DEFENSE ADMINISTRATION

By virtue of the authority vested in me by the First War Powers Act, 1941, as amended by the act of January 12, 1951, entitled "An Act to amend and extend title II of the First War Powers Act, 1941" (Public Law 921, 81st Congress), and as President of the United States and Commander in Chief of the armed forces of the United States, and deeming such action will facilitate the national defense, it is hereby ordered as follows:

The provisions of Part I of Executive Order No. 10210 of February 2, 1951, entitled "Authorizing the Department of Defense and the Department of Commerce to Exercise the Functions and Powers Set Forth in Title II of the First War Powers Act, 1941, as Amended by the Act of January 12, 1951, and Prescribing Regulations for the Exercise of Such Functions and Powers", are hereby extended to the Federal Civil Defense Administration with respect to (a) emergency and developmental contracts, (b) specialized contracts, (c) contracts pursuant to delegations of authority from any other Federal department or agency, and (d) contracts with respect to an activity approved pursuant to the provisions of section 405 (3) of the Federal Civil Defense Act of 1950 (Public Law 920—81st Congress); and, subject to the limitations and regulations contained in such part, and under such regulations as he may prescribe, the Federal Civil Defense Administrator is authorized to perform and exercise, as to the Federal Civil Defense Administration, all the functions and authority vested in and granted by the said Part I to the Secretaries named therein: *Provided*, that regulations so prescribed need not be approved by the Secretary of Defense: *And provided further*, that nothing contained herein shall prejudice any other authority which the said Administration or the head thereof may have with respect to procurement.

HARRY S. TRUMAN

THE WHITE HOUSE,
May 11, 1951.

[F. R. Doc. 51-5627; Filed, May 11, 1951; 12:14 p. m.]

TITLE 7—AGRICULTURE

Chapter I—Production and Marketing Administration (Standards, Inspections, Marketing Practices), Department of Agriculture

PART 51—FRUITS, VEGETABLES AND OTHER PRODUCTS (INSPECTION, CERTIFICATION, AND STANDARDS)

SUBPART B—UNITED STATES STANDARDS FOR FRESH FRUITS, VEGETABLES AND OTHER PRODUCTS

U. S. STANDARDS FOR ORANGES IN CALIFORNIA AND ARIZONA

On March 30, 1951, a notice of rule making was published in the FEDERAL REGISTER (F. R. Doc. 51-3882; 16 F. R. 2797) regarding proposed United States Standards for Oranges (California and Arizona) to supersede the United States Standards for Oranges (California and Arizona) (14 F. R. 7149) currently in effect. After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice, the following United States Standards for Oranges (California and Arizona) are hereby promulgated under the authority contained in the Department of Agriculture Appropriation Act, 1951 (Pub. Law 759, 81st Cong., approved September 6, 1950).

§ 51.301 *Standards for oranges (California and Arizona)*—(a) *Grades*—(1) *U. S. Fancy.* U. S. Fancy consists of oranges of similar varietal characteristics which are mature, well colored, firm, well formed, of smooth texture for the variety; free from decay, broken skins which are not healed, hard or dry skins, exanthema, growth cracks, bruises (except those incident to proper handling and packing), dryness or mushy condi-

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FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Federal Register Division, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

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CODIFICATION GUIDE—Con.

tion, and from injury caused by split, rough, wide or protruding navels, creasing, scars, oil spots, scale, sunburn, dirt or other foreign material, disease, insects or mechanical or other means. (See *Tolerances* in paragraph (c) of this section.)

(2) *U. S. No. 1.* U. S. No. 1 consists of oranges of similar varietal characteristics which are mature, firm, well formed, of fairly smooth texture for the variety; free from decay, broken skins which are not healed, hard or dry skins, exanthema, growth cracks, bruises (except those incident to proper handling and packing), and from damage caused by dryness or mushy condition, split, rough, excessively wide or protruding navels, creasing, scars, oil spots, scale, sunburn, dirt or other foreign material, disease, insects, or mechanical or other means. Each fruit shall be well colored except Valencia oranges which shall be at least fairly well colored: *Provided,* That navel oranges in any lot which is destined for export and which is certified as meeting the standards for export need be only fairly well colored. (See *Tolerances* in paragraph (c) of this section.)

(3) *U. S. No. 2.* U. S. No. 2 consists of oranges of similar varietal characteristics which are mature, fairly well colored, fairly firm, and which are fairly well formed but not excessively rough; which are free from decay, broken skins which are not healed, hard or dry skins, exanthema, growth cracks, and from serious damage caused by bruises, dryness or mushy condition, split or protruding navels, creasing, scars, oil spots, scale, sunburn, dirt or other foreign material, disease, insects or mechanical or other means. (See *Tolerances* in paragraph (c) of this section.)

(4) *U. S. Combination grade.* Any lot of oranges may be designated "U. S. Combination" when not less than 40 percent, by count, of the oranges in each container meet the requirements of U. S. No. 1 grade and the remainder U. S. No. 2 grade. (See *Tolerances* in paragraph (c) of this section.)

(5) *U. S. No. 3.* U. S. No. 3 consists of oranges of similar varietal characteristics which are mature, which may be slightly spongy, misshapen, rough but not seriously lumpy; which are free from decay, broken skins which are not healed, hard or dry skins, exanthema, and from serious damage caused by growth cracks, bruises, dryness or mushy condition, and from very serious damage caused by split navels, creasing, scars, oil spots, scale, sunburn, dirt or other foreign material, disease, insects or mechanical or other means. (See *Tolerances* in paragraph (c) of this section.)

(b) *Unclassified.* Unclassified consists of oranges which have not been classified in accordance with any of the foregoing grades. The term "unclassified" is not a grade within the meaning of these standards but is provided as a designation to show that no definite grade has been applied to the lot.

(c) *Tolerances.* In order to allow for variations incident to proper grading and handling in each of the foregoing grades, the following tolerances are provided as specified:

(1) *U. S. Fancy, U. S. No. 1, U. S. No. 2 and U. S. No. 3 grades.* Not more than 10 percent, by count, of the fruit in any lot may be below the requirements of the specified grade, other than for color, but not more than one-twentieth of this amount, or one-half of 1 percent, shall be allowed for decay at shipping point: *Provided,* That an additional tolerance of 2½ percent, or a total of not more than 3 percent, shall be allowed for decay enroute or at destination. In addition, not more than 10 percent, by count, of the fruit in any lot may not meet the requirements relating to color.

(2) *U. S. Combination grade.* Not more than 10 percent, by count, of the fruit in any lot may be below the requirements of this grade, other than for color, but not more than one-twentieth of this amount, or one-half of 1 percent, shall be allowed for decay at shipping point: *Provided,* That an additional tolerance of 2½ percent, or a total of not more than 3 percent, shall be allowed for decay enroute or at destination. This 3 percent tolerance may be used to reduce the percentage of U. S. No. 1 grade required in the combination, provided the affected fruits meet the requirements of U. S. No. 1 grade in other respects. In addition, not more than 10 percent, by count, of

the fruit in any lot may not meet the requirements of the U. S. No. 2 grade for color. No part of any tolerance, other than that for decay, shall be allowed to reduce for the lot as a whole the percentage of U. S. No. 1 in the combination, but individual containers may have not more than a total of 10 percent less than the percentage of U. S. No. 1 specified: *Provided,* That the entire lot averages within the percentage specified.

(d) *Application of tolerances to individual packages.* (1) The contents of individual packages in the lot, based on sample inspection, are subject to the following limitations: *Provided,* That the averages for the entire lot are within the tolerances specified for the grade.

(2) For packages which contain more than 25 pounds, and a tolerance of 10 percent or more is provided, individual packages in any lot shall have not more than one and one-half times the tolerance specified. For packages which contain more than 25 pounds and a tolerance of less than 10 percent is provided, individual packages in any lot shall have not more than double the tolerance specified, except that at least one decayed or very seriously damaged fruit may be permitted in any package.

(3) For packages which contain 25 pounds or less, individual packages in any lot are not restricted as to the percentage of defects: *Provided,* That not more than one orange which is seriously damaged by dryness or mushy condition or very seriously damaged by other means may be permitted in any package and, in addition, enroute or at destination not more than 10 percent of the packages may have more than one decayed fruit.

(e) *Standard pack.* (1) Oranges shall be uniform in size and, when packed in boxes, shall be arranged according to the approved and recognized methods. Each wrapped fruit shall be fairly well wrapped.

(2) All packages shall be well filled, but the contents shall not show excessive or unnecessary bruising because of overfilled packages. The fruit shall be tightly packed.

(3) When oranges are packed in standard nailed boxes, each box shall show a minimum bulge of 1¼ inches.

(4) "Uniform in size" means that not more than 10 percent, by count, of the oranges in any container may be one standard size larger or smaller than the standard size orange for the count packed.

(5) *Example of standard size orange.* The standard size orange for a 200 count is that size orange which will pack tightly 200 oranges of uniform size when packed according to the approved and recognized method.

(6) In order to allow for variations incident to proper packing, not more than 5 percent of the containers in any lot may not meet the requirements for the standard pack.

(f) *Standards for export.* (1) Not more than a total of 10 percent, by count, of the oranges in any container may be soft, affected by decay, have broken skins which are not healed, growth cracks, or be damaged by creasing or skin breakdown, or seriously damaged by split or protruding navels, or by dryness or mushy condition, except that:

(i) Not more than one-half of 1 percent shall be allowed for oranges affected by decay.

(ii) Not more than 3 percent shall have broken skins which are not healed.

(iii) Not more than 3 percent shall have growth cracks.

(iv) Not more than 5 percent shall be soft.

(v) Not more than 5 percent shall be damaged by creasing.

(vi) Not more than 5 percent shall be seriously damaged by split or protruding navels.

(vii) Not more than 5 percent shall be seriously damaged by dryness or mushy condition.

(viii) Not more than 5 percent shall be damaged by skin breakdown.

(2) Any lot of oranges shall be considered as meeting the standards for export if the entire lot averages within the requirements specified: *Provided,* That no sample from the containers in any lot shall have more than double the percentage specified for any one defect, and that not more than a total of 10 percent, by count, of the oranges in any container has any of the defects enumerated in the standards for export.

(g) *Definitions.* (1) "Similar varietal characteristics" means that the fruits in any container are similar in color and type.

(2) "Well colored" means that the fruit is at least light orange in color, with not more than a trace of green at the stem end, and not more than 15 percent of the remainder of the surface of the fruit shows green color.

(3) "Firm" means that the fruit is not soft or noticeably wilted or flabby.

(4) "Well formed" means that the fruit shows the normal shape characteristic of the variety.

(5) "Smooth" means that the skin is of fairly fine grain, the "pebbling" is not pronounced, and any furrows radiating from the stem end are shallow.

(6) "Injury" means any defect which more than slightly affects the appearance, or the edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as injury:

(i) Split, rough, wide or protruding navels, when a split is unhealed or is more than one-eighth inch in length; or when the navel protrudes beyond the general contour of the fruit; or when flush with the contour but with the opening so wide, considering the size of the fruit, or the navel growth so folded and ridged, that it detracts noticeably from the appearance of the fruit.

(ii) Slight creasing which is more than barely visible, or which extends over more than 20 percent of the fruit surface.

(iii) Scarring (including sprayburn and fumigation injury) which exceeds the following aggregate areas of different types of scars, or a combination of two or more types of scars, the seriousness of which exceeds the maximum allowed for any one type:

(*a*) Scars which are very dark and which have an aggregate area exceeding that of a circle one-eighth inch in diameter.

(*b*) Scars which are dark, or rough, or deep and which have an aggregate area exceeding that of a circle one-fourth inch in diameter.

(*c*) Scars which are fairly light in color, slightly rough, or with slight depth and which have an aggregate area exceeding that of a circle one-half inch in diameter.

(*d*) Scars which are light in color, fairly smooth, with no depth and which have an aggregate area of more than 5 percent of the fruit surface.

(iv) Oil spots (oleocellosis or similar injuries) which are depressed or soft, or which have an aggregate area of more than 2½ percent of the fruit surface, or which are green and more than 4 in number.

(v) Scale, if more than 5 are present.

(vi) Sunburn which appreciably changes the normal color or shape of the fruit, or affects more than 10 percent of the fruit surface.

(7) "Fairly smooth" means that the skin does not feel noticeably rough or coarse. The size of the fruit should be considered in judging texture, as large fruit is not usually as smooth as smaller fruit. It is common for the fruit to show larger and coarser "pebbling" on the stem end portion than on the blossom end. The presence of furrows or grooves on the stem end portion of the fruit is a common condition in certain varieties, and the fruit shall not be considered as slightly rough unless the furrows or grooves are of sufficient depth, length, and number as to materially affect the appearance and smoothness of the orange.

(8) "Damage" means any defect which materially affects the appearance, or the edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as damage:

(i) Dryness or mushy condition when affecting all segments more than one-fourth inch at the stem end, or the equivalent of this amount, by volume, when occurring in other portions of the fruit.

(ii) Split, rough, excessively wide or protruding navels, when more than 3 splits, or when any split is unhealed or is more than one-fourth inch in length; or navels which flare, bulge, or protrude materially beyond the general contour of the fruit; or when the navel opening is so wide, considering the size of the fruit, or the navel growth is so folded and ridged, that it detracts materially from the appearance of the fruit.

(iii) Creasing which materially weakens the skin, or which extends over more than one-third of the fruit surface.

(iv) Scarring (including sprayburn and fumigation injury) which exceeds the following aggregate areas of different types of scars, or a combination of two or more types of scars, the serious-

ness of which exceeds the maximum allowed for any one type:

(a) Scars which are very dark and with slight depth and which have an aggregate area exceeding that of a circle one-fourth inch in diameter.

(b) Scars which are very dark, with no depth, and which have an aggregate area exceeding that of a circle one-half inch in diameter.

(c) Scars which are dark and rough or deep and which have an aggregate area exceeding that of a circle one-half inch in diameter.

(d) Scars which are dark and slightly rough, or with slight depth, and which have an aggregate area exceeding that of a circle three-fourths inch in diameter.

(e) Scars which are fairly light in color, slightly rough, or with slight depth and which have an aggregate area of more than 5 percent of the fruit surface.

(f) Scars which are light in color, fairly smooth, with no depth and which have an aggregate area of more than 10 percent of the fruit surface.

(v) Oil spots (oleocellosis or similar injuries) which are depressed or soft, or which have an aggregate area of more than 5 percent of the fruit surface, or which are green and more than 7 in number.

(vi) Scale, if more than 3 scales are present in each of three circular areas 1 inch in diameter, selected as the worst infested areas, or if more than 7 scales are present in one of these areas.

(vii) Sunburn which causes appreciable flattening of the fruit, drying or darkening of the skin, or affects more than 25 percent of the fruit surface.

(9) "Fairly well colored" means that the yellow or orange color predominates on the fruit.

(10) "Fairly firm" means that the fruit may be slightly soft but is not decidedly flabby.

(11) "Fairly well formed" means that the fruit is not of the shape characteristic of the variety but is not decidedly flattened, pointed, extremely elongated, or otherwise badly deformed.

(12) "Excessively rough" means that the skin is decidedly rough, badly folded, badly ridged, or decidedly lumpy. Heavily "pebbled" skin shall not be considered as excessively rough.

(13) "Serious damage" means any defect which seriously affects the appearance, or the edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as serious damage:

(i) Dryness or mushy condition, when affecting all segments more than one-half inch at the stem end, or the equivalent of this amount by volume, when occurring in other portions of the fruit.

(ii) Split or protruding navels, when any split is unhealed or is more than one-half inch in length, or when two or more splits aggregate more than 1 inch in length; or navels which protrude seriously beyond the general contour of the fruit; or when the navel opening is so wide, considering the size of the fruit, or the navel growth so badly folded and ridged, that it detracts seriously from the appearance of the fruit.

(iii) Creasing which seriously weakens the skin, or which is distributed over practically the entire fruit surface.

(iv) Scarring (including sprayburn and fumigation injury) which exceeds the following aggregate areas of different types of scars, or a combination of two or more types of scars, the seriousness of which exceeds the maximum allowed for any one type:

(a) Scars which are very dark, or very rough, or very deep, and which have an aggregate area of more than 5 percent of the fruit surface.

(b) Scars which are dark, or rough, or deep and which have an aggregate area of more than 10 percent of the fruit surface.

(c) Scars which are fairly light in color, slightly rough or with slight depth and which have an aggregate area of more than 15 percent of the fruit surface.

(d) Scars which are light in color, fairly smooth, and with no depth and which have an aggregate area of more than 25 percent of the fruit surface.

(v) Oil spots (oleocellosis or similar injuries) which are depressed or soft, or which have an aggregate area of more than 10 percent of the fruit surface.

(vi) Scale, if more than 9 scales are present in each of three circular areas 1 inch in diameter, selected as the worst infested areas, or if more than 19 scales are present in one of these areas.

(vii) Sunburn which causes decided flattening of the fruit, drying or dark discoloration of the skin, or affects more than one-third of the fruit surface.

(viii) Growth cracks that are leaking, gummy, or not well healed.

(14) "Slightly spongy" means that the fruit is puffy or slightly wilted but not flabby.

(15) "Misshapen" means that the fruit is decidedly flattened, pointed, extremely elongated or otherwise deformed.

(16) "Very serious damage" means any defect which very seriously affects the appearance, or the edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as very serious damage:

(i) Split navels which are leaking, gummy, or not well healed.

(ii) Creasing which is so deep or extensive that the skin is very seriously weakened.

(iii) Scarring (including sprayburn and fumigation injury) which exceeds the following aggregate areas of different types of scars, or a combination of both types of scars, the seriousness of which exceeds the maximum allowed for one type:

(a) Scars which are very dark, or very rough, or very deep and which have an aggregate area of more than 10 percent of the fruit surface.

(b) Scars which are dark, or rough, or deep and which have an aggregate area of more than 25 percent of the fruit surface.

(iv) Oil spots which are badly sunken, or soft.

(v) Scale which are so numerous or large that the appearance of the fruit is very seriously affected.

(vi) Sunburn which seriously affects more than one-third of the fruit surface, or causes dark discoloration aggregating more than 5 percent of the fruit surface.

(h) *Effective time and supersedure.* The United States Standards for Oranges (California and Arizona) contained in this section and which supersede the United States Standards for Oranges (California and Arizona) (14 F. R. 7149) shall become effective thirty (30) days after the date of publication in the FEDERAL REGISTER.

(Sec. 205, 60 Stat. 1090; 7 U. S. C. 1624. Interprets or applies sec. 203, 60 Stat. 1087, Pub. Law 759, 81st Cong.; 7 U. S. C. 1622)

Done at Washington, D. C., this 9th day of May 1951.

ROY W. LENNARTSON,
Assistant Administrator, Production and Marketing Administration.

[F. R. Doc. 51-5512; Filed, May 11, 1951; 8:49 a. m.]

PART 52—PROCESSED FRUITS AND VEGETABLES, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

SUBPART B—UNITED STATES STANDARDS FOR GRADES OF PROCESSED FRUITS, VEGETABLES, AND OTHER PRODUCTS

U. S. STANDARDS FOR GRADES OF SULFURED CHERRIES;[1] REVISION

On October 6, 1950, a notice of proposed rule making was published in the FEDERAL REGISTER (15 F. R. 6763) regarding a proposed revision of the United States Standards for Grades of Sulfured Cherries. After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice, the following revised United States Standards for Grades of Sulfured Cherries are hereby promulgated under the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087; 7 U. S. C. 1621 et seq.) and the Department of Agriculture Appropriation Act, 1951 (Pub. Law 759, 81st Cong., approved September 6, 1950):

§ 52.240 *Sulfured cherries.* "Sulfured cherries" are prepared from properly matured whole cherries (Prunus avium or Prunus cerasus) of similar varietal characteristics; are packed with or without the addition of a hardening agent, in a solution of sulfur dioxide of sufficient strength to preserve the product.

(a) *Styles of sulfured cherries.* (1) "Unstemmed and unpitted" is the style of sulfured cherries consisting of whole cherries (irrespective of size) with pits and not less than 80 percent, by weight, of all the cherries have the stems attached.

[1] The requirements of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act.

(2) "Stemmed and unpitted" is the style of sulfured cherries consisting of whole cherries (irrespective of size) with pits and not more than ½ of 1 percent, by weight, of all the cherries are cherries with stems attached.

(3) "Stemmed and pitted" is the style of sulfured cherries consisting of whole cherries of which not more than ½ of 1 percent, by weight, of all the cherries are cherries with stems attached and: (i) For each 40 ounces of all the cherries there may be present not more than 2 cherries with pits when all cherries are of small size or extra small size; (ii) for each 40 ounces of all the cherries there may be present not more than 1 cherry with a pit when all cherries are of medium size, large size, or different sizes; and (iii) for each 60 ounces of all the cherries there may be present not more than 1 cherry with a pit when all cherries are of extra large size.

(4) "Unstemmed and pitted" or "cocktail" is the style of sulfured cherries consisting of whole cherries of which not more than 7 percent, by weight, of all the cherries are cherries without the stems firmly attached and: (i) For each 40 ounces of all the cherries there may be present not more than 2 cherries with pits when all cherries are of small size or extra small size; (ii) for each 40 ounces of all the cherries there may be present not more than 1 cherry with a pit when all cherries are of medium size, large size, or different sizes; and (iii) for each 60 ounces of all the cherries there may be present not more than 1 cherry with a pit when all cherries are of extra large size.

(5) "Unclassified" consists of sulfured cherries which do not conform to any of the foregoing styles.

(6) "Pit" means an entire pit or portion thereof attached to a sulfured cherry or within the pit cavity.

(b) *Recommended sizes of sulfured cherries.* (1) Although size is a factor in connection with some styles of sulfured cherries, it is not a factor of quality for the purpose of these grades. The size range of sulfured cherries varies on the basis of the diameter of the fruit. The diameter of the sulfured cherry is the minimum diameter of the fruit that will pass through a rigid ring of the same diameter without using pressure. The name designations of the various sizes are shown in the first column of Table No. I of this paragraph. Sulfured cherries will be considered as meeting a particular designated size if not more than 10 percent, by weight, of all the cherries are 1 mm. smaller or 2 mm. smaller and not more than 10 percent, by weight, of all the cherries are 1 mm. larger or 2 mm. larger than the diameter range of the particular size designation: *Provided*, That not more than 1 percent, by weight, of all cherries are no more than 2 mm. smaller than the minimum diameter for the designated size and not more than 1 percent, by weight, of all cherries are no more than 2 mm. larger than the maximum diameter for the designated size.

TABLE No. I—SIZES OF CHERRIES IN SULFURED CHERRIES

Name designation:	*Minimum and maximum diameter*
Extra small	14 mm. to, and including, 16 mm.
Small	16 mm. to, and including, 18 mm.
Medium	18 mm. to, and including, 20 mm.
Large	20 mm. to, and including, 22 mm.
Extra large	22 mm. and over.

(c) *Grades of sulfured cherries.* (1) "U. S. Grade A" or "U. S. Fancy" is the quality of sulfured cherries that are clean; that possess a good color; that are practically free from defects; that possess a good character; and that score not less than 85 points when scored in accordance with the scoring system outlined in this section.

(2) "U. S. Grade B" or "U. S. Choice" is the quality of sulfured cherries that are clean; that possess a reasonably good color; that are reasonably free from defects; that possess a reasonably good character; and that score not less than 70 points when scored in accordance with the scoring system outlined in this section.

(3) "U. S. Grade D" or "Seconds" is the quality of sulfured cherries that are clean, but for other reasons fail to meet the requirements of U. S. Grade B or U. S. Choice.

(4) "U. S. Combination Grade" is the quality of sulfured cherries that are clean; and that with respect to color, absence of defects, and character meets the following requirements:

(i) Not less than 90 percent, by weight, of all the cherries, possess at least a reasonably good color and a reasonably good character and are free from misshapen cherries, cherries seriously damaged by mechanical injury, and seriously blemished cherries; and

(ii) Unless otherwise specified, at least 50 percent, by weight, of all the cherries, possess a good color and a good character; and are free from blemished cherries or seriously blemished cherries, misshapen cherries, and cherries damaged by mechanical injury or cherries seriously damaged by mechanical injury.

(d) *Definition.* (1) "Clean" means that the product is practically free from loose pits, leaves, detached stems, bark, fruit spurs, dirt or other foreign material.

(e) *Ascertaining the grade with respect to "U. S. Grade A" or "U. S. Fancy" and "U. S. Grade B" or "U. S. Choice."* (1) The grade of sulfured cherries is ascertained by considering, in addition to the requirements of the respective grade, the respective ratings for the factors of color, absence of defects, and character.

(2) The relative importance of each factor which is scored is expressed numerically on the scale of 100. The maximum number of points that may be given each factor is:

Factors:	*Points*
(i) Color	20
(ii) Absence of defects	40
(iii) Character	40
Total score	100

(f) *Ascertaining the rating for each factor which is scored.* The essential variations within each factor which is scored are so described that the value may be ascertained and expressed numerically. The numerical range for the ratings of such factors is inclusive (for example, "17 to 20 points" means 17, 18, 19, or 20 points).

(1) *Color.* (i) Sulfured cherries that possess a good color may be given a score of 17 to 20 points. "Good color" means that the cherries possess a practically uniform color typical of well-bleached sulfured cherries for the variety.

(ii) If the sulfured cherries possess a reasonably good color, a score of 14 to 16 points may be given. "Reasonably good color" means that the cherries possess a reasonably uniform color typical of reasonably well-bleached sulfured cherries for the variety. Sulfured cherries that fall into this classification shall not be graded above U. S. Grade B or U. S. Choice, regardless of the total score for the product (this is a limiting rule).

(iii) Sulfured cherries that fail to meet the requirements of subdivision (ii) of this subparagraph may be given a score of 0 to 13 points. Sulfured cherries that fall into this classification shall not be graded above U. S. Grade D or Seconds, regardless of the total score for the product (this is a limiting rule).

(2) *Absence of defects.* The factor of absence of defects refers to the degree of freedom from misshapen cherries, cherries damaged or seriously damaged by mechanical injury, and cherries blemished or seriously blemished by discoloration, rain or solution cracks, bird pecks, pathological injury, insect injury or blemished by other means.

(i) "Misshapen cherries" means any deformed cherries or double cherries.

(ii) "Cherries damaged by mechanical injury" means any pitter tear or pitter tears which materially affect the appearance of the cherry; any open pitter hole measuring more than ⅛ inch across, but not more than 3/16 inch across, or open pitter holes aggregating more than ⅛ inch across, but not more than 3/16 inch across; any pitter hole where there is a material loss of flesh; and other mechanical injury which materially affects the appearance of the cherry.

(iii) "Cherries seriously damaged by mechanical injury" means any pitter tear or pitter tears which seriously affect the appearance of the cherry; any open pitter hole measuring more than 3/16 inch across, or open pitter holes aggregating more than 3/16 inch across, any pitter hole where there is a serious loss of flesh; and other mechanical injury which seriously affects the appearance of the cherry.

(iv) "Blemished cherry" means any cherry which is affected by:

(*a*) Dark surface discoloration exceeding in the aggregate the area of a circle 3/16 inch in diameter, but not exceeding in the aggregate ⅛ of the surface of the cherry;

(*b*) Any rough surface areas which slightly affect the appearance of the cherry;

(*c*) Light surface discoloration exceeding in the aggregate ⅛ of the sur-

face of the cherry, but not exceeding in the aggregate ½ of the surface of the cherry;

(*d*) Rain checks or rain cracks (*1*) in the stem basin more than ¼ inch in length, but not more than ½ inch in length, (*2*) any rain checks or rain cracks outside the stem basin more than 5/16 inch in length but not more than ⅜ inch in length.

(*e*) Any solution cracks or other blemish or combination of any blemishes which materially affect the appearance of the cherry. The term "blemished cherry" also means any cherry the flesh of which is materially discolored.

(v) "Seriously blemished cherry" means any cherry which is affected by:

(*a*) Dark surface discoloration exceeding in the aggregate ⅛ of the surface of the cherry;

(*b*) Any rough surface areas which materially affect the appearance of the cherry;

(*c*) Light surface discoloration exceeding in the aggregate ½ of the surface of the cherry;

(*d*) Rain checks or rain cracks (*1*) in the stem basin more than ½ inch in length, (*2*) any rain checks or rain cracks outside the stem basin, more than 5/16 inch in length.

(*e*) Any solution cracks or other blemish or combination of any blemishes which seriously affect the appearance of the cherry. The term "seriously blemished cherry" also means any cherry the flesh of which is seriously discolored.

(vi) Sulfured cherries that are practically free from defects may be given a score of 34 to 40 points. "Practically free from defects" means that not more than a total of 10 percent, by weight, of cherries are misshapen cherries, cherries damaged by mechanical injury, seriously damaged by mechanical injury, blemished cherries or seriously blemished cherries of which not more than five percent, by weight, of all cherries are misshapen cherries, cherries seriously damaged by mechanical injury or seriously blemished cherries.

(vii) Sulfured cherries that are reasonably free from defects may be given a score of 28 to 33 points. "Reasonably free from defects" means that not more than a total of 10 percent, by weight, of cherries are misshapen cherries, cherries seriously damaged by mechanical injury, or seriously blemished cherries. Sulfured cherries that fall into this classification shall not be graded above U. S. Grade B or U. S. Choice, regardless of the total score for the product (this is a limiting rule).

(viii) Sulfured cherries that fail to meet the requirements of subdivision (vii) of this subparagraph for any reason may be given a score of 0 to 27 points and shall not be graded above U. S. Grade D or Seconds, regardless of the total score for the product (this is a limiting rule).

(3) *Character.* The factor of character refers to the firmness of the cherries and to the condition of the flesh.

(i) Sulfured cherries that possess a good character may be given a score of 34 to 40 points. "Good character" means that the cherries possess a firm fleshy texture, retain their approximate original shape, are not shriveled or watery, and do not show more than slight collapsed areas of flesh. To score in this classification, sulfured cherries may contain not more than five percent, by weight, of cherries which fail to meet requirements for "good character."

(ii) If the sulfured cherries possess a reasonably good character, a score of 28 to 33 points may be given. Sulfured cherries that fall into this classification shall not be graded above U. S. Grade B or U. S. Choice, regardless of the total score for the product (this is a limiting rule). "Reasonably good character" means that the cherries possess a reasonably firm texture, may have slightly lost their original shape, may be slightly shriveled, or may show moderate collapsed areas of flesh. To score in this classification, sulfured cherries may contain not more than 10 percent, by weight, of cherries which fail to meet the requirements for "reasonably good character."

(iii) Sulfured cherries that are soft, flabby, wrinkled, leathery, or have materially lost their original shape, or show seriously collapsed areas of flesh, or fail to meet the requirements of subdivision (ii) of this subparagraph for any reason may be given a score of 0 to 27 points and shall not be graded above U. S. Grade D or Seconds, regardless of the total score for the product (this is a limiting rule).

(f) *Ascertaining the grade with respect to U. S. Combination Grade.* (1) The combination grade of sulfured cherries is ascertained by considering color, absence of defects, character, and the cleanliness of the product.

(2) The definition for cleanliness and the terms defined with respect to ascertaining "U. S. Grade A" or "U. S. Fancy" and "U. S. Grade B" or "U. S. Choice" outlined under the factors of color, absence of defects and character for these grades are also applicable for ascertaining the U. S. Combination Grade.

(g) *Tolerance for certification of officially drawn samples for U. S. Combination Grade of sulfured cherries.* (1) When certifying samples that have been officially drawn and which represent a specific lot of sulfured cherries, the percent, by weight, of cherries which possess at least a reasonably good color and a reasonably good character, and are free from misshapen cherries, cherries seriously damaged by mechanical injury, and seriously blemished cherries is computed by averaging the percent, by weight, of such cherries in all samples of the lot if:

(i) None of the samples in the lot contain less than 80 percent, by weight, of such cherries.

(2) The percent, by weight, of cherries for the lot which possess a good color and a good character, and are free from blemished cherries or seriously blemished cherries, misshapen cherries damaged by mechanical injury or cherries seriously damaged by mechanical injury, is computed by averaging the percent, by weight, of such cherries in all samples of the lot if:

(i) None of the samples in the lot contains less than 35 percent, by weight, of such cherries.

(h) *Tolerance for certification of officially drawn samples for "U. S. Grade A" or "U. S. Fancy" and "U. S. Grade B" or "U. S. Choice."* (1) When certifying samples that have been officially drawn and which represent a specific lot of sulfured cherries, the grade for such lot will be determined by averaging the total scores of the samples comprising the lot, if:

(i) Not more than one-sixth of such samples fails to meet all the requirements of the grade indicated by the average of such total scores, and with respect to such samples which fail to meet the requirements of the indicated grade by reason of a limiting rule, the average score of all samples in the lot for the factor, subject to such limiting rule, is within the range for the grade indicated;

(ii) None of the samples comprising the lot falls more than four points below the minimum score for the grade indicated by the average of the total scores; and

(iii) All samples comprising the lot meet all applicable standards of quality promulgated under the Federal Food, Drug, and Cosmetic Act and in effect at the time of the aforesaid certification.

(i) *Score sheet for sulfured cherries.*

Size and kind of container	
Container identification marks	
Size of sample	
Size of cherries	
Style of pack	
Similar varieties	
Are clean	

Factors	Score points	
I. Color	20	(A) 17-20 (B)[1] 14-16 (D)[1] 0-13
II. Absence of defects	40	(A) 34-40 (B)[1] 28-35 (D)[1] 0-27
III. Character	40	(A) 34-40 (B)[1] 28-33 (D)[1] 0-27
Total score	100	

Grade	
Size of lot covered	

[1] Indicates limiting rule.

(j) *Work sheet for sulfured cherries for grading on the basis of the U. S. Combination Grade.*

Size and kind of container	
Container identification marks	
Size of sample	
Style of pack	
Similar varieties	
Are clean	

Color	Good color—reasonably good color	Percent by weight
Absence of defects and character.	Possess a good character and are free from blemished or seriously blemished cherries, misshapen cherries and cherries damaged or seriously damaged by mechanical injury. Fail to meet requirements for reasonably good character, or are misshapen cherries, cherries seriously damaged by mechanical injury or seriously blemished cherries.	

Grade of sample	
Grade of lot	
Size of lot	

(k) *Effective time and supersedure.* The revised United States Standards for Grades of Sulfured Cherries (which are the second issue) contained in this section will become effective 30 days after publication of these standards in the FEDERAL REGISTER and will thereupon supersede the United States Standards for Grades of Pitted Sulfured Cherries and the United States Standards for Grades of Unpitted Sulfured Cherries which have been in effect since May 17, 1934.

(Sec. 205, 60 Stat. 1090; 7 U. S. C. 1624. Interprets or applies sec. 203, 60 Stat. 1087, Pub. Law 759, 81st Cong.; 7 U. S. C. 1622)

Issued at Washington, D. C., this 9th day of May 1951.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator, Production and Marketing Administration.

[F. R. Doc. 51-5510; Filed, May 11, 1951; 8:49 a. m.]

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

[Lemon Reg. 381, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice and engage in public rule-making procedure (60 Stat. 237; 5 U. S. C. 1001 et seq) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient; and this amendment relieves restrictions on the handling of lemons grown in the State of California or in the State of Arizona.

Order, as amended. The provisions in paragraph (b) (1) (ii) of § 953.488 (Lemon Regulation 381, 16 F. R. 3975), are hereby amended to read as follows:

(ii) District 2: 575 carloads.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup., 608c)

Done at Washington, D. C., this 10th day of May 1951.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 51-5589; Filed, May 11, 1951; 9:01 a. m.]

[Lemon Reg. 382]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

§ 953.489 *Lemon Regulation 382*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 14 F. R. 3612), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of lemons, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified in this section was promptly submitted to the Department after an open meeting of the Lemon Administrative Committee on May 9, 1951, such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time thereof.

(b) *Order.* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., May 13, 1951, and ending at 12:01 a. m., P. s. t., May 20, 1951, is hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 600 carloads;

(iii) District 3: Unlimited movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said amended marketing agreement and order, is hereby fixed in accordance with the prorate base schedule which is attached to Lemon Regulation No. 381 (16 F. R. 3975), and made a part hereof by this reference.

(3) As used in this section, "handled," "handler," "carloads," "prorate base," "District 1," "District 2," and "District 3," shall have the same meaning as when used in the said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup., 608c)

Done at Washington, D. C., this 10th day of May 1951.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 51-5588; Filed, May 11, 1951; 9:01 a. m.]

[Orange Reg. 370, Amdt. 1]

PART 966—ORANGES GROWN IN CALIFORNIA OR IN ARIZONA

LIMITATION OF SHIPMENTS

Findings. (1) Pursuant to the provisions of Order No. 66 (7 CFR Part 966) regulating the handling of oranges grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendation and information submitted by the Orange Administrative Committee, established under the said order, and upon other available information, it is hereby found that the limitation of the quantity of such oranges which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between

the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient; and this amendment relieves restrictions on the handling of oranges grown in the State of California or in the State of Arizona.

Order, as amended. The provisions in paragraph (b) (1) (ii) (b) of § 966.516 (Orange Regulation 370, 16 F. R. 3975) are hereby amended to read as follows:

(ii) *Oranges other than Valencia oranges.* * * *

(b) Prorate District No. 2: Unlimited movement;

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup., 608c)

Done at Washington, D. C., this 11th day of May 1951.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 51-5601; Filed, May 11, 1951; 11:08 a. m.]

[Orange Reg. 371]

PART 966—ORANGES GROWN IN CALIFORNIA OR IN ARIZONA

LIMITATION OF SHIPMENTS

§ 966.517 *Orange Regulation 371*—(a) *Findings.* (1) Pursuant to the provisions of Order No. 66, as amended (7 CFR Part 966; 14 F. R. 3614), regulating the handling of oranges grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Orange Administrative Committee, established under the said amended order, and upon other available information, it is hereby found that the limitation of the quantity of such oranges which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this regulation until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of oranges, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended order; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after an open meeting of the Orange Administrative Committee on May 10, 1951, such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time thereof.

(b) *Order.* (1) The quantity of oranges grown in the State of California or in the State of Arizona which may be handled during the period beginning 12:01 a. m., P. s. t., May 13, 1951, and ending at 12:01 a. m., P. s. t., May 20, 1951, is hereby fixed as follows:

(i) *Valencia oranges.* (*a*) Prorate District No. 1: 600 carloads;

(*b*) Prorate District No. 2: 400 carloads;

(*c*) Prorate District No. 3: 100 carloads;

(*d*) Prorate District No. 4: Unlimited movement.

(ii) *Oranges other than Valencia oranges.* (*a*) Prorate District No. 1: Unlimited movement;

(*b*) Prorate District No. 2: Unlimited movement;

(*c*) Prorate District No. 3: Unlimited movement;

(*d*) Prorate District No. 4: Unlimited movement.

(2) The prorate base of each handler who has made application therefor, as provided in the said amended order, is hereby fixed in accordance with the prorate base schedule which is set forth below and made a part hereof by this reference.

(3) As used in this section, "handled," "handler," "varieties," "carloads," and "prorate base" shall have the same meaning as when used in the said amended order; and the terms "Prorate District No. 1," "Prorate District No. 2," "Prorate District No. 3," and "Prorate District No. 4" shall each have the same meaning as given to the respective terms in § 966.107, as amended (15 F. R. 8712), of the current rules and regulations (7 CFR § 966.103 et seq.), as amended (15 F. R. 8712).

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 11th day of May 1951.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

PRORATE BASE SCHEDULE

[12:01 a. m., d. s. t., May 13, 1951, to 12:01 a. m., d. s. t., May 20, 1951]

VALENCIA ORANGES

Prorate District No. 1

Handler	*Prorate base (percent)*
Total	100.0000
A. F. G. Lindsay	2.0615
A. F. G. Porterville	1.6882
Ivanhoe Cooperative Association	.5361
Sandilands Fruit Co	.6351
Dofflemyer & Son, W. Todd	.4377
Earlibest Orange Association	1.7748
Elderwood Citrus Association	.8649
Exeter Citrus Association	2.1928
Exeter Orange Growers Association	.6634
Hillside Packing Association	2.2958
Ivanhoe Mutual Orange Association	.8807
Klink Citrus Association	4.2472
Lemon Cove Association	1.3611
Lindsay Citrus Growers Association	3.1020
Lindsay Cooperative Citrus Association	2.0267
Lindsay Fruit Association	2.5295
Lindsay Orange Growers Association	1.1380
Orange Cove Citrus Association	3.2660
Orange Packing Co	.9642
Orosi Foothill Citrus Association	1.4799
Paloma Citrus Fruit Association	.6590
Rocky Hill Citrus Association	3.2328
Sanger Citrus Association	2.4279
Sequoia Citrus Association	.8627
Stark Packing Corp	4.4818
Visalia Citrus Association	3.1706
Waddell & Son	2.5521
Baird Neece Corp	1.7928
Grand View Heights Citrus Association	4.6902
Magnolia Citrus Association	2.8228
Porterville Citrus Association, The	.8163
Richgrove-Jasmine Citrus Association	1.3672
Strathmore Cooperative Association	3.1717
Strathmore District Orange Association	2.5649
Strathmore Fruit Growers Association	.0000
Strathmore Packing House	1.5256
Sunflower Packing Association	2.6710
Sunland Packing House	3.6540
Tule River Citrus Association	.8775
La Verne Cooperative Citrus Association	.1038
Lindsay Mutual Groves	1.4168
Martin Ranch	.6651
Orange Cove Orange Growers	1.8541
Webb Packing Co	.1829
Woodlake Packing House	1.0732
Anderson Packing Co., R. M	.6908
Baker Bros	1.0634
Bear State Packers, Inc	.0082
California Citrus Groves, Inc., Ltd	2.7305
Campbell, Ralph D. & P. Agnes	.0273
Chess Co., Meyer W	.3004
Darby, Fred J	.0000
Dotts, Vern	.0492
Dubendorf, John W	.1337
Far West Produce Distributors	.5461
Foran, Pat	.0136
Haas, W. H	.0820
Harding & Leggett	2.6163
Independent Growers, Inc	2.3415
Kim, Chas. N	.0056
Kroells Packing Co	2.2585
Lo Bue Bros	.7454
Maas, W. A	.0839
Marks, W. & M	.2511
Randolph Marketing Co	1.6000
Reimers, Don H	.1364
Schilling, Joseph	.1638
Sky Acres Ranch	.2321

PRORATE BASE SCHEDULE—Continued

VALENCIA ORANGES—continued

Prorate District No. 1—Continued

Handler	Prorate base (percent)
Smith, E. L.	0.0546
Swenson, L. W.	.0040
Terry, Floyd	.0027
Woodlake Heights Packing Corp.	.5749
Zaninovich Bros., Inc.	.5016

Prorate District No. 2

Total	100.0000
A. F. G. Alta Loma	.0912
A. F. G. Corona	.0564
A. F. G. Fullerton	.8403
A. F. G. Orange	.3745
A. F. G. Riverside	.1384
A. F. G. San Juan Capistrano	.5865
A. F. G. Santa Paula	.4682
Eadington Fruit Co., Inc.	5.5890
Hazeltine Packing Co	.3949
Krinard Packing Co	.2140
Placentia Cooperative Orange Association	.5085
Placentia Pioneer Valencia Growers Association	.6506
Signal Fruit Association	.1089
Azusa Citrus Association	.5266
Covina Citrus Association	1.2020
Covina Orange Growers Association	.6033
Damerel-Allison Association	.7773
Glendora Citrus Association	.5290
Glendora Mutual Orange Association	.3300
Valencia Heights Orchard Association	.4054
Gold Buckle Association	.4892
La Verne Orange Association	.6725
Anaheim Valencia Orange Association	1.3038
Fullerton Mutual Orange Association	2.6113
La Habra Citrus Association	1.1420
Yorba Linda Citrus Association, The	1.0114
Escondido Orange Association	2.4169
Alta Loma Heights Citrus Association	.0506
Citrus Fruit Growers	.1977
Etiwanda Citrus Fruit Association	.0276
Mountain View Fruit Association	.0467
Old Baldy Citrus Association	.1162
Rialto Heights Orange Growers	.0640
Upland Citrus Association	.3534
Upland Heights Orange Association	.1458
Consolidated Orange Growers	1.8359
Frances Citrus Association	1.1930
Garden Grove Citrus Assocation	1.7275
Goldenwest Citrus Association	1.7854
Irvine Valencia Growers	3.1410
Olive Heights Citrus Association	2.0994
Santa Ana-Tustin Mutual Citrus Association	.9097
Santiago Orange Growers Association	3.8419
Tustin Hills Citrus Association	1.9322
Villa Park Orchards Association, The	2.1241
Bradford Bros., Inc.	.9211
Placentia Mutual Orange Association	3.6413
Placentia Orange Growers Association	3.3891
Yorba Orange Growers Association	.8601
Call Rranch	.0761
Corona Citrus Association	.4937
Jameson Co	.0833
Orange Heights Orange Association	.6284
Crafton Orange Growers Association	.2685
East Highlands Citrus Association	.0668
Redlands Heights Groves	.1782

PRORATE BASE SCHEDULE—Continued

VALENCIA ORANGES—continued

Prorate District No. 2—Continued

Handler	Prorate base (percent)
Redlands Orangedale Association	0.1436
Rialto-Fontana Citrus Association	.0843
Break & Son, Allen	.0505
Bryn Mawr Fruit Growers Association	.1021
Mission Citrus Association	.1321
Redlands Cooperative Fruit Association	.2846
Redlands Orange Growers Association	.1570
Redlands Select Groves	.2668
Rialto Orange Co	.1887
Southern Citrus Association	.1499
Zilen Citrus Co	.0573
Arlington Heights Citrus Co	.1462
Brown Estate, L. V. W	.1352
Gavilan Citrus Association	.1534
Highgrove Fruit Association	.0655
McDermont Fruit Co	.1308
Monte Vista Citrus Association	.2438
National Orange Co	.0539
Riverside Heights Orange Growers Association, The	.0375
Sierra Vista Packing Association	.0466
Victoria Avenue Citrus Association	.2118
Claremont Citrus Association	.0968
College Heights Orange & Lemon Association	.3527
Indian Hill Citrus Association	.2022
Walnut Fruit Growers Association	.5577
West Ontario Citrus Association	.1830
El Cajon Valley Citrus Association	.2326
Escondido Cooperative Citrus Association	.3134
San Dimas Orange Growers Association	.3425
Canoga Citrus Association	.9335
North Whittier Heights Citrus Association	1.0011
San Fernando Heights Orange Association	.7996
Sierra Madre-Lamanda Citrus Association	.3450
Camarillo Citrus Association	1.3978
Fillmore Citrus Association	3.1847
Mupu Citrus Association	2.0796
Ojai Orange Association	.6910
Piru Citrus Association	2.2052
Rancho Sespe	.8097
Santa Paula Orange Association	1.0938
Tapo Citrus Association	1.0131
Ventura County Citrus Association	.3765
Limoneira Co	.4195
East Whittier Citrus Association	.3852
Murphy Ranch Co	.8381
Anaheim Cooperative Orange Association	1.8377
Bryn Mawr Mutual Orange Association	.1398
Chula Vista Mutual Lemon Association	.0913
Euclid Avenue Orange Association	.6340
Foothill Citrus Union, Inc.	.1018
Fullerton Cooperative Orange Association	.3799
Garden Grove Orange Cooperative, Inc.	1.0690
Golden Orange Groves, Inc.	.2304
Highland Mutual Groves, Inc.	.0095
Index Mutual Association	.4331
La Verne Cooperative Citrus Association	1.7306
Mentone Heights Association	.0417
Olive Hillside Groves, Inc.	.5663
Orange Cooperative Citrus Association	1.5169
Redlands Foothill Groves	.4499
Redlands Mutual Orange Association	.1912
Ventura County Orange & Lemon Association	1.2152

PRORATE BASE SCHEDULE—Continued

VALENCIA ORANGES—continued

Prorate District No. 2—Continued

Handler	Prorate base (percent)
Whittier Mutual Orange & Lemon Association	0.1001
Babijuice Corp. of California	.8274
Banks, L. M.	.7220
Becker, Samuel Eugene	.0114
Bennett Fruit Co	.1248
Borden Fruit Co	.4956
Cherokee Citrus Co., Inc.	.1630
Chess Co., Meyer W.	.4277
Dunning Ranch	.0511
Evans Bros. Packing Co	1.0012
Gold Banner Association	.1951
Granada Hills Packing Co	.0281
Granada Packing House	1.2231
Hill Packing House, Fred A.	.0626
Johnson, Fred	.0059
Knapp Packing Co., John C.	.5174
L Bar S Ranch	.1141
Lawson, William J.	.0071
Lima & Sons, Joe	.1305
Orange Belt Fruit Distributors	1.3225
Orange Hill Groves	.0071
Otte, Arnold	.0674
Panno Fruit Co., Carlo	1.0266
Patitucci, Frank L.	.0095
Placentia Orchard Co	.5468
Prescott, John A.	.0199
Riverside Citrus Association	.0380
Ronald, P. W.	.0219
Ronneberg, Jerry L.	.0048
Schwaer, Erwin & Arthur	.0152
Summit Citrus Packers	.0170
Treesweet Products Co	.2746
Wall, E. T., grower-shipper	.1221
Western Fruit Growers, Inc.	.6134

Prorate District No. 3

Total	100.0000
A. F. G. Vernon	.0000
Allen & Allen Citrus Packing Co.	1.1346
Consolidated Citrus Growers	17.1098
McKellips Citrus Co., Inc.	8.3239
Phoenix Citrus Packing Co	1.8683
Arizona Citrus Growers	15.5349
Chandler Heights Citrus Growers	2.5367
Desert Citrus Growers Co	6.0107
Mesa Citrus Growers	18.2100
Tempe Citrus Co	3.2949
Imperial Valley Grapefruit Growers Association	.0000
Southern Citrus Association	.0000
United Citrus Growers	.0000
Yuma Mesa Fruit Growers Association	2.0818
Leppla-Henry Produce Co	10.1541
Maricopa Citrus Co	1.0704
Pioneer Fruit Co	3.3602
Clark & Sons Produce Co., J. H.	.3503
Commercial Citrus Packing Co	1.1457
Hi Jolly Citrus Packing House	.0966
Hill Packing House, Fred A.	.0000
Ishikawa, Paul	.0000
Macchiaroli Fruit Co., James	1.3753
Mattingly, Charles A.	.3066
Messina & Sons, Mike	.0746
Orange Belt Fruit Distributors	.0000
Panno Fruit Co., Carlo	.0000
Paramount Citrus Association, Inc.	.0366
Potato House, The	.4877
Russo Bros	.0000
Sharp Co., K. K.	.2538
Sunny Valley Citrus Packing Co.	2.6891
Terracciano Fruit Co	.2773
Valley Citrus Packing Co	2.2161

[F. R. Doc. 51-5600; Filed, May 11, 1951; 11:08 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

Subchapter A—Civil Air Regulations

[Supp. 1]

PART 20—PILOT CERTIFICATES

EXPERIENCE REQUIREMENTS INSTRUMENT RATING

The following interpretation is hereby adopted:

§ 20.42–1 *Experience requirements instrument rating (CAA interpretations which apply to § 20.42 (b) (2)).* Simulated instrument flight time need not necessarily be instrument flight instruction and may be obtained with a safety pilot who does not hold an instrument rating. The safety pilot must hold an instrument rating only when he is giving instrument flight instructions.

This interpretation shall become effective upon publication in the FEDERAL REGISTER.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 602, 52 Stat. 1008, 49 U. S. C. 552)

[SEAL] F. B. LEE,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 51–5477; Filed, May 11, 1951; 8:45 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 52721]

PART 10—ARTICLES CONDITIONALLY FREE, SUBJECT TO A REDUCED RATE, ETC.

CANCELLATION OF BONDS

Under § 10.39 of the Customs Regulations of 1943, as amended by T. D. 52454, the relief which the collectors of customs may extend in cases where there has been compliance with the terms of the bond with respect to part of but not all the articles covered thereby is limited to cancellation of the claim for liquidated damages upon the payment of an amount equal to one and one-quarter times the duty on the articles in respect of which the default occurred. Since there are many cases in which the Bureau's practice is to cancel the claim for liquidated damages upon payment of a nominal sum and which the collectors acted upon prior to T. D. 52454, § 10.39, Customs Regulations of 1943 (19 CFR 10.39), as amended, is further amended as follows:

1. Paragraph (f) is amended by inserting "or, under the circumstances enumerated in subparagraphs (1), (2), or (3) of paragraph (e) of this section, upon payment of such lesser amount as the collector may deem appropriate" immediately after "occurred".

2. Paragraph (g) is hereby amended by deleting the first sentence and the words "paragraph (e) or (f) of" in the second sentence.

(R. S. 161, 251, sec. 624, 46 Stat. 759; 5 U. S. C. 22, 19 U. S. C. 66, 1624. Interprets or applies secs. 308, 623, 46 Stat. 690, as amended, 759, as amended, pars. 1607, 1747, 1808, sec. 201, 46 Stat. 673, 680, 684; 19 U. S. C. 1308, 1623, 1201, pars. 1607, 1747, 1808)

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

Approved: May 8, 1951.

JOHN S. GRAHAM,
Acting Secretary of the Treasury.

[F. R. Doc. 51–5495; Filed, May 11, 1951; 8:46 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

Chapter II — Federal Housing Administration, Housing and Home Finance Agency

Subchapter B—Property Improvement Loans

PART 203—TITLE I MORTGAGE INSURANCE: ELIGIBILITY REQUIREMENTS

DEFENSE PRODUCTION ACT OF 1950 CONTROLS

Section 203.20b is hereby amended by adding at the end thereof the following new paragraph:

(d) The provisions of § 203.20a and of this section shall not be applicable under the following circumstances:

(1) Where the mortgagor certifies in a form satisfactory to the Commissioner that the entire proceeds of the mortgage are to be used for the replacement, reconstruction or repair of a residential structure destroyed or substantially damaged by flood, fire or other similar casualty;

(2) Where the mortgagor certifies in a form satisfactory to the Commissioner that on or after July 19, 1950, he was the owner of a residence and that his title thereto has been transferred to the United States, or to one of the States or subdivisions thereof, through condemnation proceedings or by voluntary conveyance in lieu of condemnation, and that the proceeds of the mortgage are to be used solely to finance the purchase or construction of a similar residence to be used in substitution therefor; or

(3) Where an application is made to the Commissioner in the nature of a request to reopen or reissue an expired commitment, provided that the Commissioner finds that such commitment was not subject to the provisions of § 203.20a or of this section when issued, and that such commitment expired on or after July 19, 1950, and that the application of the provisions of § 203.20a or of this section to the reopened or reissued commitment would cause severe hardship to the mortgagor or mortgagee.

(Sec. 2, 48 Stat. 1246, as amended; 12 U. S. C. and Sup., 1730g. Interprets or applies sec. 102, Pub. Law 475, 81st Cong.)

Issued at Washington, D. C., May 7, 1951.

FRANKLIN D. RICHARDS,
Federal Housing Commissioner.

[F. R. Doc. 51–5478; Filed, May 11, 1951; 8:45 a. m.]

Subchapter C—Mutual Mortgage Insurance

PART 221—MUTUAL MORTGAGE INSURANCE: ELIGIBILITY REQUIREMENTS OF MORTGAGE COVERING ONE- TO FOUR-FAMILY DWELLINGS

DEFENSE PRODUCTION ACT OF 1950 CONTROLS

1. Section 221.26d (b) is hereby amended to read as follows:

(b) For the period this paragraph remains in effect, and notwithstanding the provisions of § 221.16, a mortgage insured pursuant to an application received by the Commissioner on or after October 12, 1950, and covering property upon which there is located a dwelling designed principally for a single-family or a two-family residence, must have a maturity satisfactory to the Commissioner not more than 20 years from the date of insurance, except that, if the amount of the mortgage is $5,800 or less per family unit and the property is approved for insurance prior to the beginning of construction, the mortgage may have a maturity not in excess of 25 years from the date of insurance.

2. Section 221.26d is further amended by adding at the end thereof the following new paragraph:

(d) The provisions of § 221.26c and of this section shall not be applicable under the following circumstances:

(1) Where the mortgagor certifies in a form satisfactory to the Commissioner that the entire proceeds of the mortgage are to be used for the replacement, reconstruction or repair of a residental structure destroyed or substantially damaged by flood, fire or other similar casualty;

(2) Where the mortgagor certifies in a form satisfactory to the Commissioner that on or after July 19, 1950, he was the owner of a residence and that his title thereto has been transferred to the United States, or to one of the States or subdivisions thereof, through condemnation proceedings or by voluntary conveyance in lieu of condemnation, and that the proceeds of the mortgage are to be used solely to finance the purchase or construction of a similar residence to be used in substitution therefor; or

(3) Where an application is made to the Commissioner in the nature of a request to reopen or reissue an expired commitment, provided that the Commissioner finds that such commitment was not subject to the provisions of § 221.26c or of this section when issued, and that such commitment expired on or after July 19, 1950, and that the application of the provisions of § 221.26c or of this section to the reopened or reissued commitment would cause severe hardship to the mortgagor or mortgagee.

(Sec. 211, as added by sec. 3, 52 Stat. 23; 12 U. S. C. 1715b)

Issued at Washington, D. C., May 7, 1951.

FRANKLIN D. RICHARDS,
Federal Housing Commissioner.

[F. R. Doc. 51–5479; Filed, May 11, 1951; 8:45 a. m.]

TITLE 29—LABOR

Subtitle A—Office of the Secretary of Labor

PART 5—LABOR STANDARDS PROVISIONS APPLICABLE TO CONTRACTS COVERING FEDERALLY FINANCED AND ASSISTED CONSTRUCTION

Reorganization Plan No. 14 of 1950 provides that in order to assure coordination of administration and consistency of enforcement of the labor standards provisions of various designated acts by the Federal agencies responsible for the administration thereof, the Secretary of Labor shall prescribe appropriate standards, regulations, and procedures which shall be observed by these agencies, and cause to be made by the Department of Labor such investigations, with respect to compliance with and enforcement of such labor standards, as he deems desirable. In compliance with such directive the following regulations, standards and procedures are adopted, to be effective July 1, 1951.

Now, therefore, pursuant to authority vested in me by Reorganization Plan No. 14 of 1950 and the act of September 23, 1950, 64 Stat. 967, a new Part 5 is added, to read as follows:

Sec.

AUTHORITY: §§ 5.1 to 5.12 issued under Pub. Law 815, 81st Cong.

§ 5.1 *Purpose and scope.* The regulations contained in this part are promulgated pursuant to Reorganization Plan No. 14 of 1950, the provisions of the Reorganization Act of 1949, 63 Stat. 203 and the act of September 23, 1950, 64 Stat 967, in order to coordinate the administration and enforcement of the labor standards provisions of each of the following acts by the Federal agencies responsible for their administration, i. e.:

Davis-Bacon Act, as amended, 46 Stat. 1994, 49 Stat. 1011, 54 Stat. 399, 55 Stat. 53; 40 U. S. C. 276a et seq.

Anti-Kickback Act, as amended, 48 Stat. 948, 62 Stat. 740, 63 Stat. 108; 18 U. S. C. 874, 40 U. S. C. 276b, c.

Eight Hour Laws, 27 Stat. 340, as amended, 37 Stat. 726, 37 Stat. 137, as amended, 54 Stat. 884; 39 Stat. 1192; 40 U. S. C. 321 et seq.

National Housing Act, as amended, 53 Stat. 804; 12 U. S. C. 1703 et seq.

Hospital Survey and Construction Act, 60 Stat. 1040; 42 U. S. C. 291 et seq.

Federal Airport Act, as amended, 60 Stat. 170; 49 U. S. C. 1101 et seq.

Housing Act of 1949, 63 Stat. 413; 42 U. S. C. 1401 et seq.

School Survey and Construction Act of 1950, 64 Stat. 967 et seq.; 20 U. S. C. 251 et seq.

§ 5.2 *Definitions.* As used in the regulations[1] in this part:

(a) The term "Agency Head" means the principal official of the Federal agency and includes those persons duly authorized to act in his behalf;

(b) The term "Contracting Officer" means the individual, his duly appointed successor or his authorized representative who is designated and authorized to enter into contracts on behalf of the Federal agency;

(c) The term "apprentices" means persons employed in a bona fide apprenticeship program registered with a State Apprenticeship Council which is recognized by the Federal Committee on Apprenticeship, United States Department of Labor, or if no such recognized Council exists in a State, in a program registered with the Bureau of Apprenticeship, United States Department of Labor;

(d) The term "wage determination" includes the original decision and any subsequent decisions modifying, superseding, correcting, or in any way affecting the provisions of the original decision, issued prior to the award of the construction contract, except that under the National Housing Act changes in the decision shall be effective if made at any time prior to the beginning of construction. The use of the wage determination shall be subject to the provisions of § 5.4.

(e) The term "contract" means any contract within the scope of the labor standards provisions of any of the acts listed in § 5.1 and which is entered into for the actual construction alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution.

(f) The terms "building" or "work" generally include construction activity as distinguished from manufacturing, furnishing of materials, or servicing and maintenance work. The terms include without limitation, buildings, structures, and improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, railways, ships, vessels, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, canals, dredging, shoring, rehabilitation and reactivation of plants, scaffolding, drilling, blasting, excavating, clearing, and landscaping. The manufacture or furnishing of materials, articles, supplies or equipment (whether or not a Federal or State agency acquires title to such materials, articles, supplies, or equipment during the course of the manufacture or furnishing, or owns the materials from which they are manufactured or furnished) is not a "building" or "work" within the meaning of the regulations in this part unless conducted in connection with and at the site of such a building or work as is described in the foregoing sentence, or under the Housing Act of 1949[2] in the construction or development of the project.

(g) The terms "construction", "prosecution", "completion", or "repair" mean all types of work done on a particular building or work at the site thereof, or under the Housing Act of 1949 in the construction or development of the project, including without limitation, altering, remodeling, painting and decorating, the transporting of materials and supplies to or from the building or work by the employees of the construction contractor or construction subcontractor, and the manufacturing or furnishing of materials, articles, supplies or equipment on the site of the building or work, or under the Housing Act of 1949 in the construction or development of the project, by persons employed by the contractor or subcontractor. A mere token beginning of the work shall not be deemed to be the "beginning of construction" as that term is used in the National Housing Act.

(h) The term "public building" or "public work" includes building or work, the construction, prosecution, completion, or repair of which, as defined above, is carried on directly by authority of or with funds of a Federal agency to serve the interest of the general public regardless of whether title thereof is in a Federal agency.

(i) Every person paid by a contractor or subcontractor in any manner for his labor in the construction, prosecution, completion, or repair of a public building or public work, or building or work financed in whole or in part by loans, grants or guarantees from the United States, is "employed" and receiving "wages", regardless of any contractual relationship alleged to exist.

(j) The term "Federal agency" means the United States, the District of Columbia, and all executive departments, independent establishments, administrative agencies, and instrumentalities of the United States and of the District of Columbia, including corporations, all or substantially all of the stock of which is beneficially owned by the United States, by the District of Columbia, or any of the foregoing departments, establishments, agencies, and instrumentalities.

§ 5.3 *Procedure for requesting wage determinations.* Requests for the determination of wage rates by the Secretary of Labor or for any change, modification, or review thereof, shall be submitted by the Federal agency on forms prescribed by the Department of Labor. Requests for such determinations shall be initiated at least 30 calendar days before advertisement of the specifications or the beginning of the negotiations for the contract for which the determination is sought; exceptions from this provision will be made only upon a proper showing in unusual circumstances.

[1] These definitions are not intended to restrict the meaning of any of the terms as used in the applicable statutes.

[2] Housing Act of 1949, 42 U. S. C. 1416, 1459.

§ 5.4 *Use of wage determinations.* (a) If the proposed contract for which determination was sought has not been awarded or if under a contract subject to the National Housing Act construction has not begun within 90 calendar days from the date of the original wage determination such determination shall be deemed obsolete and the Agency Head shall request a new wage determination before the award of such contract or the beginning of such construction, as the case may be.

(b) All actions changing or modifying an original wage determination prior to the award of the contract or contracts for which the determination was sought shall be applicable thereto but modifications received by the agency later than 5 days before the opening of bids shall not be effective if the award is made within 30 days after the opening of the bids or 90 days from the date of the original wage determination whichever is the earlier. Similarly, in the case of contracts entered into pursuant to the National Housing Act, changes or modifications in the original determination shall be effective if made prior to the beginning of the construction, but shall not apply after the mortgage is initially endorsed by the agency if the beginning of the construction takes place within 30 days thereafter.[4] The Agency Head shall provide that persons such as the prospective bidders, sponsors, applicants or owners be informed of these conditions.

§ 5.5 *Contract provisions.* (a) The Agency Head shall cause or require to be inserted in any contract subject to the labor standards provisions of any of the acts listed in § 5.1 the following stipulations or any modifications thereof to meet particular needs of the agency if first approved by the Department of Labor:

(1) All mechanics and laborers employed or working upon the site of the work, or under the Housing Act of 1949 in the construction or development of the project, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by the Anti-Kickback Regulations (29 C. F. R. Part 3)), the full amounts due at time of payment computed at wage rates not less than those contained in the wage determination decision of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor or subcontractor and such laborers and mechanics; and the wage determination decision shall be posted by the contractor at the site of the work in a prominent place where it can be easily seen by the workers.

(2) The [write in name of Federal agency] may withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the contractor or any subcontractor on the work the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic employed or working on the site of the work, or under the Housing Act of 1949 in the construction or development of the project, all or part of the wages required by the contract, the [Agency] may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payroll records will be maintained during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work, or under the Housing Act of 1949 in the construction or development of the project. Such records will contain the name and address of each such employee, his correct classification, rate of pay, daily and weekly number of hours worked, deductions made and actual wages paid.

The contractor will submit weekly a certified copy of all payrolls to the [write in name of appropriate Federal agency] if the agency is a party to the contract but if the agency is not such a party the contractor will submit the certified payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the [write in name of agency]. The certification will affirm that the payrolls are correct and complete, that the wage rates contained therein are not less than those determined by the Secretary of Labor and that the classifications set forth for each laborer or mechanic conform with the work he performed. The contractor will make his employment records available for inspection by authorized representatives of the [write in name of agency] and the Department of Labor, and will permit such representatives to interview employees during working hours on the job.

(4) Apprentices will be permitted to work only under a bona fide apprenticeship program registered with a State Apprenticeship Council which is recognized by the Federal Committee on Apprenticeship, U. S. Department of Labor; or if no such recognized Council exists in a State, under a program registered with the Bureau of Apprenticeship, U. S. Department of Labor.

(5) The contractor will comply with the regulations (copy of which is attached) of the Secretary of Labor made pursuant to the Anti-Kickback Act of June 13, 1934, 48 Stat. 948; 62 Stat. 740, 63 Stat. 108; 18 U. S. C. 874, 40 U. S. C. 276 b, c, and any amendments or modifications thereof, will cause appropriate provisions to be inserted in subcontracts to insure compliance therewith by all subcontractors subject thereto, and will be responsible for the submission of affidavits required of subcontractors thereunder, except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances and exemptions from the requirements thereof.

(6) The contractor will insert in each of his subcontracts the provisions set forth in stipulations (1), (2), (3), (4), (5) and (7) hereof, and such other stipulations as the [write in name of Federal agency] may by appropriate instructions require.

(7) A breach of stipulations (1) through (6) may be grounds for termination of the contract.

(b) The Agency Head shall cause or require the following stipulation to be cluded in the contract where applicable:

EIGHT HOUR LAW—OVERTIME COMPENSATION

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this article of the contract. The wages of every laborer and mechanic employed by the contractor or any subcontractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this article of the contract a penalty of five dollars shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this article of the contract, and all penalties thus imposed shall be withheld for the use and benefit of the Government: *Provided*, That this stipulation shall be subject in all respects to the exceptions and provisions of the Eight Hour Laws as set forth in U. S. Code, title 40, sections 321, 324, 325, 325a, and 326, which relate to hours of labor and compensation for overtime.

§ 5.6 *Enforcement.* (a) It shall be the responsibility of the Federal agency to ascertain whether the stipulations required by § 5.5 have been inserted in the contracts. Agencies which do not directly enter into such contracts shall promulgate the necessary regulations or procedures to require that the contracts contain the provisions of § 5.5 or such modifications thereof which have been approved by the Department of Labor. No payment, advance, grant, loan or guarantee of funds shall be approved by the Federal agency after the beginning of construction unless there is on file with the agency a certification by the contractor that he and his subcontractors have complied or that there is an honest dispute with respect to the required provisions.

(b) Whenever any contractor or subcontractor is found by the Secretary of Labor or the Agency Head to be in aggravated or wilful violation of the prevailing wage or overtime pay provisions of any of the applicable statutes listed in § 5.1, other than the Davis-Bacon Act, such contractor or subcontractor or any firm, corporation, partnership, or association in which such contractor or subcontractor has a substantial interest shall be ineligible for a period of three years (from the date of publication by the Comptroller General of the name or names of said contractor or subcontractor on the ineligible list as provided below) to receive any contracts subject to any of the statutes listed in § 5.1. In cases arising under contracts covered by the Davis-Bacon Act, the ineligibility provision prescribed in that act shall govern.

The Agency Head shall furnish to the Secretary of Labor for transmittal to the Comptroller General the names of the persons or firms who have been found to have disregarded their obligations to employees. The Comptroller General will distribute a list to all Departments of the Government giving the names of such ineligible persons or firms.

(c) Under the Davis-Bacon Act the contracting officer shall require that any class of laborers and mechanics not listed in the Secretary's decision, which will be employed on the contract, shall be classified or reclassified by the contrac-

[4] This does not apply to supplemental wage determinations issued for additional crafts not included in the original determinations.

tor or subcontractor conformably to the Secretary's decision and a report of the administrative action taken in such cases shall be transmitted by the agency to the Secretary of Labor. In the event the interested parties cannot agree on the proper classification or reclassification of a particular class of laborers and mechanics to be used, the question, accompanied by the recommendation of the contracting officer, shall be referred to the Secretary of Labor for final determination. Where classifications of laborers and mechanics are desired under any of the other statutes listed in § 5.1 which were not included in the original decision, a supplementary wage determination shall be requested by the Agency Head.

(d) The Federal agency shall make such examination of the certified payrolls and affidavits as may be necessary to assure compliance with the labor standards stipulations required by the regulations contained in this part and the applicable statutes listed in § 5.1 In connection with such examination particular attention should be given to the correctness of classifications and disproportionate employment of laborers, helpers or apprentices. Such payrolls and affidavits shall be preserved by the agency for a period of three years from the date of completion of the contract and shall be produced at the request of the Secretary of Labor at any time during the 3-year period.

(e) In addition to the examination of payrolls and affidavits required by paragraph (d) of this section, the Federal agency shall cause investigations to be made as may be necessary to assure compliance with the labor standards stipulations required by the regulations contained in this part and the applicable statutes listed in § 5.1. Projects where the contract is of short duration (6 months or less) shall be investigated before the work is accepted, if feasible. In the case of contracts which extend over a long period of time the investigation shall be made with such frequency as may be necessary to assure compliance. Such investigations shall include interviews with employees and examinations of payroll data to determine the correctness of classifications and disproportionate employment of laborers, helpers or apprentices. Complaints of alleged violations shall be given priority and statements, written or oral, made by an employee shall be treated as confidential and shall not be disclosed to his employer without the consent of the employee.

§ 5.7 *Reports to the Secretary of Labor.* (a) After completion of investigations, the appropriate Federal agency shall, where the violations are wilful or result in underpayments in the amount of $200 or more, transmit to the Secretary of Labor a report of its findings, including information as to restitution made; payments or approvals of loans, grants, guarantees, or subsidies withheld; contract terminations; the names and addresses of employees and contractors or subcontractors affected. The procedure for the withholding of funds under the Davis-Bacon Act shall be in accordance with the Comptroller General's letter of February 28, 1936, A. 34106, which is appended hereto.[4]

(b) No report need be made to the Secretary of Labor where the underpayments total less than $200, if nonwilful, and the Federal agency has required restitution to be made and has received assurance from the contractor of future compliance.

(c) Upon the award of the contract the Agency Head shall transmit to the Secretary of Labor in duplicate the following information in writing: The names and addresses of each successful contractor, the amount of the contract, and the location and description of the projects including the contract numbers if available in sufficient detail to indicate its nature. The same information shall be submitted with respect to subcontractors and their subcontracts. Compliance with section 109 (c) of Title 1 of the Housing Act of 1949, shall be deemed to be fulfillment of this section with respect to contracts entered into pursuant to Title 1 of that act.

(d) Where the contract is terminated by reason of violations of the labor standards a report shall be submitted to the Secretary of Labor and the Comptroller General giving the name and address of the contractor or subcontractor whose right to proceed has been terminated, the name and address of the contractor or subcontractor, if any, who is to complete the work, the amount and number of his contract, and the description of the work he is to perform.

§ 5.8 *Suspension of funds.* In the event of failure or refusal of the contractor or any subcontractor to comply with labor standards stipulations required by the regulations contained in this part and the applicable statutes listed in § 5.1, the Federal agency shall take such action as may be necessary to cause the suspension of the payment, advance or guarantee of funds until such time as the violations are discontinued or until sufficient funds are withheld to compensate employees for the wages to which they are entitled.

§ 5.9 *Restitution.* (a) The Agency Head may, in appropriate cases where violations of the labor standards stipulations required by the regulations contained in this part and the applicable statutes listed in § 5.1 resulting in underpayment of wages to employees are found to be nonwilful, order that restitution be made to such employees.

(b) In cases where the Agency Head finds substantial evidence that such violations are wilful and in violation of a criminal statute, the Agency Head shall forward the matter to the Attorney General of the United States for prosecution if the facts warrant. In all such cases the Secretary of Labor shall be informed of the action taken.

§ 5.10 *Investigations by the Secretary of Labor.* (a) The Secretary of Labor shall cause to be made such investigations as he deems desirable, in order to obtain compliance with the provisions of this part and the applicable statutes listed in § 5.1 and the Federal agencies, contractors, subcontractors, sponsors, applicants or owners, shall cooperate with any authorized representative of the Department of Labor in the inspection of records, in interviews with workers, and in all other aspects of the investigation.

(b) In the event of disputes concerning the payment of prevailing wage rates or proper classifications which involve significant sums of money, large groups of employees, or novel or unusual situations, the Secretary of Labor may, upon request by a Federal agency, direct a hearing to be held. For the purpose of the hearing the Secretary of Labor shall, in writing, designate a Hearing Examiner who shall, after notice to all interested parties, make such investigation and conduct such hearings as may be necessary and render a decision embodying his findings and conclusions and if wages are found to be due, the amounts thereof. The Hearing Examiner's decision shall be sent to the interested parties and shall be final unless a petition for review of the decision by the Secretary of Labor is filed by any such parties in quadruplicate with the Chief Hearing Examiner, United States Department of Labor, Washington 25, D. C., within twenty (20) days after receipt thereof. The petition for review must set out separately and particularly each objection asserted. The petition for review and the record which shall include the Examiner's decision then shall be certified by the Hearing Examiner to the Secretary of Labor. The petitioner may file a brief (original and four copies) in support of his petition within the twenty (20) day period and any interested party upon whom the Hearing Examiner's decision has been served may within ten (10) days after the expiration of the time for filing the petition for review, file a brief in support of, or in opposition to the Hearing Examiner's decision. The Secretary of Labor's decision shall be final.

§ 5.11 *Rulings and interpretations.* All questions arising in any agency relating to the application and interpretation of the regulations contained in this part and of the Davis-Bacon Act, the Anti-Kickback Act, the Eight Hour Laws, and the labor standards provisions of the following acts, the National Housing Act, the Housing Act of 1949, the Hospital Survey and Construction Act, the Federal Airport Act and the School Survey and Construction Act of 1950, shall be referred to the Secretary of Labor for appropriate ruling or interpretation. The rulings and interpretations of the Secretary shall be authoritative and may be relied upon as provided for in section 10 of the Portal to Portal Act of 1947. Requests for such rulings and interpretations should be addressed to the Secretary of Labor, United States Department of Labor, Washington 25, D. C.

§ 5.12 *Variations, tolerances and exemptions.* Upon a written finding by the head of a Federal agency, the Secretary of Labor may provide reasonable limitations, variations, tolerances, and exemptions from the requirements of

[4] Filed as a part of the original document.

the regulations contained in this part, subject to such conditions as the Secretary of Labor may specify.

Signed at Washington, D. C., this 9th day of May 1951.

MAURICE J. TOBIN,
Secretary of Labor.

[F. R. Doc. 51-5506; Filed, May 11, 1951; 8:49 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter IV—Joint Regulations of the Armed Forces

Subchapter L—Regulations Pertaining to Military Justice

PART 471—UNIFORM RULES OF PROCEDURE FOR PROCEEDINGS IN AND BEFORE BOARDS OF REVIEW

Pursuant to Article 66 (f), Uniform Code of Military Justice, Act of May 5, 1950 (64 Stat. 128), a new Subchapter L, Part 471, containing rules of procedure for proceedings in and before boards of review, is prescribed jointly by the Judge Advocate General of the Armed Forces and the General Counsel of the Treasury Department, effective May 31, 1951.

DEFINITIONS

Sec.
471.0 Definitions.

RULES

471.1 Quorum.
471.2 Place for filing papers.
471.3 Signing of papers.
471.4 Computation of time.
471.5 Counsel.
471.6 Records of trial.
471.7 Assignment of errors.
471.8 Briefs.
471.9 Hearings.
471.10 Decisions of a board of review.
471.11 Continuances and interlocutory matters.

APPENDIXES

471.21 Appendix 1—Form for assignment of errors.
471.22 Appendix 2—Form for cover page of brief.
471.23 Appendix 3—Form for content of brief on behalf of accused.

AUTHORITY: §§ 471.0 to 471.23 issued under Art. 66, Pub. Law 506, 81st Cong.

DEFINITIONS

§ 471.0 *Definitions.* So far as the terms defined in Article 1 of the Uniform Code of Military Justice are used in this part they are used in the sense of their respective definitions therein unless the context indicates otherwise. As used in this part:

(a) "Appellate counsel" shall mean any counsel representing any party before a board of review.

(b) "Appellate defense counsel" shall mean any officer appointed by the Judge Advocate General to represent an accused before a board of review pursuant to Article 70, Uniform Code of Military Justice.

(c) "Appellate Government counsel" shall mean any officer appointed by the Judge Advocate General to represent the Government before a board of review pursuant to Article 70, Uniform Code of Military Justice.

(d) "Civilian counsel" shall mean civilian counsel provided by the accused to represent him before a board of review.

(e) "Appellate counsel for the accused" shall be construed to include appellate defense counsel and civilian counsel.

(f) "Defense counsel" shall mean any person who represented an accused at the trial by court-martial or who served as his counsel in the field.

RULES

§ 471.1 *Quorum.* A majority of the members of a board of review will constitute a quorum for the purpose of hearing and determining any matter referred to the board. The determination of any matter referred to a board of review will be according to the opinion of a majority of its members. In the absence of a quorum the senior member present may make all necessary orders touching any proceedings pending in the board preparatory to hearing or decision thereof. [Rule I]

§ 471.2. *Place for filing papers.* When the filing of a notice of appearance, brief, or other paper in the Office of a Judge Advocate General is required by this part, such papers will be filed in the Office of the Judge Advocate General of the appropriate armed force. If transmitted by mail or other means, they are not filed until received in such office. [Rule II]

§ 471.3 *Signing of papers.* All formal papers must be signed and must show, typewritten or printed, the name and address of the person signing same, together with his military rank, if any, and the capacity in which he signs the paper. Such signature constitutes a certificate that the statements made therein are true and correct to the best of the knowledge, information, and belief of the person signing the paper, and that the paper is filed in good faith and not for purposes of unnecessary delay. Papers will be filed only by the duly authorized counsel for the parties in interest and proof of such authorization may be required. [Rule III]

§ 471.4 *Computation of time.* Times referred to in this part are calendar days. If the last day falls on a Saturday, Sunday, or holiday compliance may be made on the next working day. [Rule IV]

§ 471.5 *Counsel*—(a) *Qualifications.* In any proceeding before a board of review the accused may be represented by civilian counsel provided by him or by assigned appellate defense counsel. Civilian counsel must be a member in good standing of the bar of a Federal court or of a court of record of any State of the United States, and may be required to file a certificate setting forth such qualifications. Appellate defense and Government counsel will be qualified in accordance with Article 70 (a) and 27 (b) (1) of the Uniform Code of Military Justice.

(b) *Conduct of counsel.* The conduct of counsel appearing before a board of review will be in accordance with the rules of conduct prescribed by paragraph 42*b*, Manual for Courts-Martial, United States, 1951 (16 F. R. 1303).

(c) *Request for appellate defense counsel.* A request for representation by appellate defense counsel will be forwarded to the convening authority for attachment to the record or dispatched to the Office of the Judge Advocate General within ten days from the date of sentence. In cases referred to a board under Article 69, Uniform Code of Military Justice, the accused will have two days from the time he receives notice of such reference to forward a request for appellate defense counsel to the Office of the Judge Advocate General unless he has already forwarded such request. Any request for appellate defense counsel should be accompanied by a statement as to the errors or other matters urged as grounds for relief. Such statement need not be in technical form and the assistance of counsel in the field will be available for its preparation. In the event defense counsel files a brief as provided in Article 38 (c), Uniform Code of Military Justice, such brief may be submitted in lieu of this statement.

(d) *Civilian counsel provided by accused.* (1) Notice that an accused has retained or has taken action to retain civilian counsel to represent him before a board of review will be forwarded to the convening authority for attachment to the record or dispatched to the Judge Advocate General within ten days from the date of sentence. In cases referred to a board of review under Article 69, Uniform Code of Military Justice, the accused will forward such notice within two days after receipt of notice by him of such referral unless he has already forwarded such notice. The notice of representation by civilian counsel will be signed by the accused or his representative and will state the name and address of such civilian counsel. When the accused has forwarded a timely notice of intention to retain civilian counsel, a notice of retainer stating the name and address of such counsel must be received in the Office of the Judge Advocate General within ten days of receipt of the notice of intention. Such civilian counsel will thereafter be notified of the receipt of the record of trial in the Office of the Judge Advocate General, the number of the case, the board to which the case has been referred, and the arrangements made, or to be made, for a hearing.

(2) If the accused has forwarded a timely notice of intention to retain civilian counsel, appellate defense counsel shall be assigned to represent the interests of the accused pending appearance of civilian counsel.

(e) *Failure to request or give notice of appellate counsel.* Failure of an accused to request appellate defense counsel or to give notice of retainer of civilian counsel or of intention to retain civilian counsel within the times prescribed may be regarded as a waiver of such right and a board may take final action in the case. Upon application made to the Judge Advocate General at any time before the board of review has taken final action in a case, and for good cause

shown, the times prescribed herein may be extended.

(f) *Mandatory assignment of appellate defense counsel.* In all cases in which the United States is represented by counsel before a board of review, the accused will be assigned appellate defense counsel if not already represented by counsel.

(g) *Direct communication.* Civilian counsel may communicate directly with appellate defense or Government counsel. Appellate defense counsel may render such appropriate assistance in connection with the appellate review of the case as may be requested by civilian counsel.

(h) *Notice of appearance of counsel.* Appellate defense and Government counsel in a case before a board of review will file a written notice of appearance in the Office of the Judge Advocate General within five days of assignment to the case. Civilian counsel will file such notice within ten days from the date of receipt of the notice of retainer. Unless separate notice of appearance is filed, an assignment of errors, brief, or other formal paper will constitute a notice of appearance. [Rule V]

§ 471.6 *Records of trial.* Civilian counsel who do not have a copy of the record of trial may make arrangements with appellate defense counsel to examine a copy of the record of trial in the Office of the Judge Advocate General and to make a copy of the whole or any part thereof without expense to the Government. [Rule VI]

§ 471.7 *Assignment of errors.* Within ten days after notice of receipt of the record in the Office of the Judge Advocate General appellate counsel for the accused shall file an assignment of errors setting forth separately and particularly each error asserted and intended to be urged § 471.21. An original and five clear copies prepared in accordance with the provisions of § 471.8 (a) will be submitted. It will contain the information prescribed in § 471.8 (d) (1). A reply to this assignment may be filed within ten days. For good cause shown the Judge Advocate General may extend these times. [Rule VII]

§ 471.8 *Briefs*—(a) *General provisions.* The assignment of errors prescribed in § 471.7 may be included in, or filed in lieu of, a brief for the accused. An original and five clear copies of all briefs will be submitted. Briefs will be typewritten, double-spaced on 8″ x 12½″ (legal cap) white paper, securely fastened at the top. All references to matters contained in the record will show record page numbers and any exhibit designations.

(b) *Number of briefs.* Appellate counsel will be limited to the filing of one brief for each side unless the board otherwise permits or directs.

(c) *Time for filing.* Any brief for an accused will be filed within ten days after his appellate counsel has been notified of the receipt of the record in the Office of the Judge Advocate General. If the Judge Advocate General has directed appellate Government counsel to represent the United States, such counsel may file a brief on behalf of the Government within ten days after any brief or an assignment of errors has been filed on behalf of an accused. If no brief is filed on behalf of an accused a brief on behalf of the Government may be filed within ten days after expiration of the time allowed for the filing of a brief on behalf of the accused. For good cause shown the Judge Advocate General may extend the times prescribed herein, giving due notice of such extension to the opposing party.

(d) *General contents.* (1) Each brief will indicate on the cover page (§ 471.22):

(i) The designation of the board of review to which the case has been referred,

(ii) The number of the case, if known, and the caption with designation of parties,

(iii) Title of the document,

(iv) Names and addresses of all counsel submitting the document.

(2) An index containing:

(i) Divisions of the brief, including a summary of the argument,

(ii) Table of authorities cited with references to the page of the brief where cited.

If the brief is less than ten pages long this index may be omitted.

(e) *Contents (Accused)* (§ 471.23). The brief for an accused will contain the following arranged in the order indicated:

(1) A summary of the proceedings showing the findings and sentence as approved and the action of the convening authority thereon;

(2) A concise statement of the facts of the case containing all that is material to the consideration of the questions presented with appropriate page references to the record;

(3) The substance of the errors or points intended to be urged, prepared in accordance with § 471.7;

(4) The argument exhibiting clearly the points of fact and law being presented, citing the authorities and statutes relied upon, and quoting the relevant parts of such authorities and statutes as are deemed to have an important bearing;

(5) A conclusion stating concisely why the case should be decided as urged.

(f) *Contents (Government).* (1) A brief on behalf of the Government will be of like character as that prescribed for the accused except that the matters prescribed in paragraph (e) (1), (2), and (3) of this section need not be given unless deemed necessary in correcting any inaccuracy or omission in the brief of the accused.

(2) Appropriate proof of service of a copy of the brief will appear on the cover sheet when the accused is represented by civilian counsel. [Rule VIII]

§ 471.9 *Hearings* — (a) *Oral arguments.* Cases where the parties are not represented by counsel will be considered as submitted without oral argument. All other cases will be set for argument unless, upon request of counsel, a board permits a case to be submitted without argument. The accused does not have a right to be present at the hearing before the board of review.

(b) *Notice of setting of arguments.* A board of review will give appellate counsel at least ten days notice of the time and place of oral argument, unless waived.

(c) *Time limits.* The length of oral arguments will be within the discretion of a board of review and ordinarily will not exceed thirty minutes for each side.

(d) *Number of counsel; opening and closing.* A board in its discretion may limit the number of counsel making an oral argument. The defense will have the right to make opening and closing arguments.

(e) *Failure to appear.* Failure of appellate counsel to appear at the time and place set for oral argument may be regarded as a waiver thereof and the board may proceed to act on the case as submitted without argument or, in its discretion, may continue the case for argument at a later date, giving due notice thereof.

(f) *Matters outside record.* Matters outside the record of trial will not be presented to or argued before a board of review except with respect to:

(1) A petition for new trial referred to a board under Article 73, Uniform Code of Military Justice,

(2) A question of jurisdiction,

(3) Matters affecting the sanity of an accused tending to show that further inquiry as to his mental condition is warranted in the interest of justice,

(4) Matters as to which judicial notice may be taken in military law.

When requested by the Judge Advocate General, a board of review may hear and report to him on any matter outside the record in mitigation of the sentence, or otherwise in the interest of justice. [Rule IX]

§ 471.10 *Decisions of a board of review*—(a) *Notice of decisions.* Notice of the decision of a board of review will be accomplished as prescribed in paragraph 100, Manual for Courts Martial, 1951 (16 F. R. 1303). In any case where a board affirms a sentence without opinion, notice upon the accused and appellate counsel for the accused, in accordance with paragraph 100c (1) (*a*), Manual for Courts Martial, 1951, may be accomplished by any equally expeditious means of communication.

(b) *Copies of decisions.* A copy of the decision of a board of review will be furnished appellate counsel for the accused. [Rule X]

§ 471.11 *Continuances and interlocutory matters.* Except as otherwise provided in this part a board, in its discretion, may extend any time limits prescribed, may grant continuances for such time and as often as may appear to be just, and may dispose of any interlocutory or other matters, not specifically covered by these rules, in such manner as may appear to be required for a full, fair, and expeditious consideration of the case.

APPENDIXES

§ 471.21 *Appendix 1—Form for assignment of errors.* (§ 471.7.)

IN THE OFFICE OF THE
JUDGE ADVOCATE GENERAL OF THE AIR FORCE[1]

Before Board of Review No. ------

UNITED STATES
v.
Private JOHN RICHARD ROE, U. S. Air Force, AF00000000, 3000th Training Squadron, 4000th Technical Training Group.

Case No. ------. Tried at ----------, on ---------- 19----, before a G. C. M. appointed by CG ---------- Air Force.

ASSIGNMENT OF ERRORS

SUMMARY OF PROCEEDINGS

Upon trial by general court-martial the accused pleaded not guilty to, and was found guilty of, absence without leave from 2 June 1951 until 1 July 1951 in violation of U. C. M. J. Art. 86, and of the larceny of a watch of a value of $75.00 the property of Private Schmidt, in violation of U. C. M. J. Art. 121. On ----------, 19---- he was sentenced to dishonorable discharge, forfeiture of all pay and allowances, and confinement at hard labor for 4 years. The convening authority approved the sentence, forwarded the record of trial to the Judge Advocate General of the ---------- and directed that pending completion of appellate review the accused be transferred to the command of ----------, where he is presently confined in the base stockade, ---------- Air Base, ----------.

ERRORS

The following errors are assigned:

1. The law officer erred in admitting in evidence as Prosecution's Exhibit No. 1, an alleged extract copy of the morning report of the 3000th Training Squadron dated 2 June 1951 (R. 17).

The exhibit shows that the alleged morning report was signed, and indicates that the entry as to the accused's alleged unauthorized absence was made, by Sergeant William Q. Johns, 3000th Training Squadron. Under pertinent regulations in effect at the time the alleged entry was made, a noncommissioned officer was not the proper person to sign the morning report and had no official duty to record the fact of unauthorized absence.

2. The court erred in its findings of guilty of absence without leave (R. 29), as there was no competent evidence of the alleged unauthorized absence.

3. ----------

4. ----------

(s) ——— ———,
JOHN J. DOE,
Major, USAF, Office of the Judge Advocate General, U. S. Air Force, Appellate Defense Counsel.

§ 471.22 *Appendix 2—Form for cover page of brief.* (§ 471.8.)

IN THE OFFICE OF THE JUDGE ADVOCATE GENERAL OF THE AIR FORCE[1]

Before Board of Review No. ------

UNITED STATES
v.
Private JOHN RICHARD ROE, U. S. Air Force, AF00000000, 3000th Training Squadron, 4000th Technical Training Group
Case No. ------. Tried at ----------, on ---------- 19----, before a G. C. M. appointed by CG ---------- Air Force.

[1] Use Judge Advocate General of the Army, Judge Advocate General of the Navy, or General Counsel of the Treasury Department, respectively, for Army, Navy, or Coast Guard accused, and modify title accordingly.

BRIEF ON BEHALF OF ACCUSED

(BRIEF ON BEHALF OF THE GOVERNMENT)

(REPLY BRIEF ON BEHALF OF ACCUSED)

ROGER Q. SMITH,
Attorney-at-Law, Crow Building, Muscatine, Iowa, Civilian Counsel for Accused.

WILLIAM R. QUEEN,
Major, USAF, Office of the Judge Advocate General, U. S. Air Force, Appellate Defense Counsel.

§ 471.23 *Appendix 3—Form for contents of brief on behalf of accused.* (§ 471.8.) (For form of cover page, see § 471.22.)

INDEX OF BRIEF

(Omit if brief is less than 10 pages long)

TABLE OF AUTHORITIES

MANUAL FOR COURTS-MARTIAL

MCM, 1951, par. 140*a*.
MCM, 1951, par. 144*b*.
* * * * *

CASES

----------, v. United States, -- F. 2d ---.
* * * * *

STATUTES

18 U. S. C. ------.
* * * * *

REGULATIONS

AFR ------, 10 August 1950.
* * * * *

MISCELLANEOUS

Fifth Amendment of the Constitution.
Winthrop, Military Law and Precedents, 2d Ed. 1920 Reprint, pp. ------.

UNITED STATES v. Private JOHN RICHARD ROE, U. S. Air Force, AF00000000, 3000th Training Squadron, 4000th Technical Training Group

Case No. ------. Tried at ----------, on ---------- 19----, before a G. C. M. appointed by CG ---------- Air Force.

BRIEF ON BEHALF OF ACCUSED

SUMMARY OF THE PROCEEDING

(See first paragraph of Appendix 1)
* * * * *

STATEMENT OF FACTS

Briefly summarized the record of trial shows ------ (State all the facts material to the consideration of errors assigned).

ASSIGNMENT OF ERRORS

The following errors are assigned:
(See Appendix 1)
* * * * *

ARGUMENT

(Discuss the points presented separately and in detail under the headings listed in the index, citing and quoting applicable authority deemed to have an important bearing).
* * * * *

CONCLUSION

For the reasons stated, the findings of guilty and the sentence should be set aside and the charges should be dismissed.

(S) ——— ———
ROGER Q. SMITH,
Attorney-at-Law, Crow Building, Muscatine, Iowa, Civilian Counsel for Accused.
(S) ——— ———
WILLIAM R. QUEEN,
Major, USAF, Office of the Judge Advocate General, U. S. Air Force, Appellate Defense Counsel.

REGINALD C. HARMON,
Major General, USAF, The Judge Advocate General, United States Air Force.
J. L. HARBAUGH, Jr.,
Brigadier General, USA, Acting The Judge Advocate General of the Army.
G. L. RUSSELL,
Rear Admiral, U. S. Navy, Judge Advocate of the Navy.
THOMAS J. LYNCH,
General Counsel of the Treasury Department.

MAY 4, 1951.

[F. R. Doc. 51-5505; Filed, May 11, 1951; 8:48 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 14, Amdt. 2]

CPR 14—CEILING PRICES OF CERTAIN FOODS SOLD AT WHOLESALE

MISCELLANEOUS AMENDMENT

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 2 to Ceiling Price Regulation 14 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment corrects certain typographical errors in Ceiling Price Regulation 14; establishes appropriate provisions to provide a pricing method for retailers purchasing food items from "service-fee" wholesalers; and, excludes certain wholesalers selling mostly "specialty" food items from using the markups in this regulation if they meet certain specific conditions, including an average markup on "net cost" of 22 percent or more in their fiscal year 1950 on all food sales.

Items 4 and 5 of this amendment deal with "service-fee" wholesalers. CPR-14 provides a pricing method for the type of wholesalers employing percentage

markups on "net cost" in arriving at a selling price to retailers. Neither MPR 421 under OPA, nor this regulation provides for the pricing method used by "service-fee" wholesalers. In general, the pricing method of a "service-fee" wholesaler is to sell to the retailer at cost plus a stated service fee. This method of pricing has been more widely used by wholesalers since the end of World War II.

There is an infinite variety of service-fee plans, each tailored to the requirements of the individual using it. The service-fee plans in use throughout the country do not fall exactly into any hard and fast classification, e. g. cost plus 3 percent for warehousing plus a service fee; cost plus 4 percent plus a bonus plan based on over-all monthly volume; cost plus flat monthly service fee; etc. A common characteristic, however, is that the retailers purchasing from service-fee wholesalers cannot accurately figure a "net cost" for items purchased because of the problem of just how to properly allocate the service fees. At the same time the retailers cannot be expected to absorb such fees. To compel them to do so would result in wiping out an established method of doing business. Accordingly the Director of Price Stabilization has determined that the procedure prescribed in this amendment will provide a fair and equitable pricing procedure in such cases.

The amendment provides that a service fee wholesaler shall figure his ceiling prices in accordance with sections 3 and 4 of this regulation for all items covered by this regulation by adding to his "net cost" his fee and service charges, except optional charges, made by him during the month prior to the effective date of this regulation. These "fee and service charges" shall not include any charges optional to the retail customer, but shall include all stated fees and charges for services rendered which are a compulsory part of the wholesaler's plan of operation. However, during each consecutive four-week period after May 14, 1951, the "net cost" for all items covered by this regulation sold by a service fee wholesaler to any retailer, plus the total of the fee and service charges made to that retailer, may not exceed what the wholesaler's ceiling prices would have been if he had figured his ceiling prices by using the markups provided for his class of wholesaler in Table A for all categories of commodities which have a markup of 1.10 or less, and reducing to 1.10 all categories of commodities that have a markup above 1.10, except category 10 which shall be reduced to a markup of 1.19. On all sales made in the above manner the wholesaler must notify the retailer of the wholesaler's ceiling prices for the items on the invoice or order form, or other written document furnished at or before the time of delivery of the items.

Item 6 of this amendment deals with certain wholesalers selling "specialty" food items. There is no hard and fast definition of just what constitutes a "specialty" food item. Generally, "specialty" wholesalers dealing in fancy or "specialty" food items, sometimes described as "table delicacies" or "gourmet's delights", only deal to a very limited extent in cost of living dry groceries such as this regulation is intended to cover. It is evident that the cost of merchandising "specialty" food items is far in excess of that for cost of living items. A few illustrations will indicate the wide variety of the food assortments handled by "specialty" wholesalers. For example, sea squab, pate of smoked rainbow trout, terrapin stew, cavier, brandied fruits, wild game, preserved kumquats, and rattlesnake meat. Available facts indicate that wholesalers offering mostly "specialty" items have realized an average markup on "net cost" in excess of 22 percent for all food items. The markups provided in this regulation are not tailored to reflect the services that are involved in selling "specialty" food items. In fact the markups for Class 3 wholesalers under CPR–14 yield an average markup on "net cost" of approximately 14 percent, an amount far less than that historically realized by "specialty" food wholesalers. The Director of Price Stabilization after very careful consideration has determined that wholesalers selling mostly "specialty" food items may be excluded from using the markups provided in this regulation if they meet the specific conditions set forth in this amendment, including an average markup on "net cost" of 22 percent or more in their fiscal year 1950 on all food sales. They will establish their ceiling prices for all food items under the General Ceiling Price Regulation in the event they are granted an adjustment in accordance with this amendment.

In the formulation of this amendment, special circumstances have rendered impractical consultation with official advisory committees, including trade association representatives; however, the provisions of this amendment incorporate the recommendations of persons representing substantial segments of the industry. In the judgment of the Director of Price Stabilization the provisions of this amendment are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

So far as practicable, the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objective of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950 to June 24, 1950, inclusive; and to relevant factors of general applicability.

AMENDATORY PROVISIONS

Ceiling Price Regulation 14 is amended in the following respects:

1. Section 6 is amended by substituting the letter "d" for the numeral "6" in paragraph 8.

2. Section 11 is amended by deleting the words "as amended" at the end of the first sentence thereof.

3. Section 13 is amended by deleting the words "and your name" from the first sentence thereof.

4. A new section, 26a, is inserted between section 26 and section 27 to read as follows:

SEC. 26a. *How a service fee wholesaler figures his ceiling prices.* (a) You are a service fee wholesaler if the larger part of your sales in dollar volume for any period of time preceding April 5, 1951, (1) were and still are made with delivery; (2) services are rendered through outside salesmen or fieldmen; (3) prior to April 5, 1951, your selling prices to retail stores were figured by the addition to your cost of a stated service fee and charges for additional services rendered; and (4) prior to April 5, 1951, your sales were made to retail stores only after the retail stores agreed to become affiliated with your plan.

(b) If you are a service fee wholesaler, you shall figure your ceiling prices in accordance with sections 3 and 4 of this regulation for all items covered by this regulation by adding to your "net cost" as defined in section 4, the fee and service charges (except optional charges) made by you during the month prior to the effective date of this regulation. These "fee and service charges" shall not include any charges optional to your retail customer, but shall include all stated fees and charges for services rendered which are a compulsory part of your plan of operation. However, during each consecutive four-week period after May 14, 1951, your "net cost" for all items subject to this regulation sold by you to any retail customer, plus the total of the fee and service charges made to that customer, may not exceed what your ceiling prices would have been if you had figured the ceiling prices by using the markups provided for your class of wholesaler in Table A of section 35 for all categories of commodities which have a markup of 1.10 or less, and reducing to 1.10 all categories of commodities that have a markup above 1.10, except category 10 which shall be reduced to a markup of 1.19.

(c) On all sales made by you of items covered by this regulation, you must notify the retailer of your ceiling prices for the items as calculated under this section. This information must be furnished to the retailer on the invoice or order form, or other written document furnished at or before the time of delivery of the items. You may calculate a ceiling price for any particular item by adding to its "net cost" a part of your total fee and service charges. But, you must make sure that for each four-week period after May 14, 1951, your ceiling price for any item does not exceed what your ceiling price would have been if you had figured it in accordance with the requirements of paragraph (b) of this section.

(d) You must notify the OPS district office for your area not later than May 31, 1951, of all fee and service charges used by you during the month prior to the effective date of this regulation which are a compulsory part of your plan of operation, and of all charges which are optional to the retailer, together with all information necessary to obtain a complete description of your type of operation. You may begin using the provisions of this section as soon as you have furnished your OPS district office for your area the information required by this section. This authority may be withdrawn if it is determined that you do not qualify for adjustment under this section.

(e) If you figure your ceiling prices for any items under this section, you must figure all of your ceiling prices for items covered by this regulation in accordance with this section.

5. A new section, 28a, is inserted in Article III after section 28 to read as follows:

SEC. 28a. *How certain wholesalers may apply for permission to operate as service fee wholesalers.* If you were not operating as a service fee wholesaler prior to April 5, 1951, you may file an application for permission to operate as a service fee wholesaler if you furnish the following information:

(1) The names and addresses of the retailers who agree to become affiliated with your plan.

(2) A schedule of your proposed fees and charges.

(3) A description of the services which you will offer to your retailers.

(4) The number of salesmen or fieldmen that you plan to use.

(5) A complete description of your proposed type of operation including your method of invoicing.

Such application must be filed in duplicate with the OPS district office for your area. You may not operate as a service fee wholesaler until you have received specific authorization from such OPS office. Applications for adjustments are governed by Price Procedural Regulation 1.

6. A new section, 28b, is inserted in Article III after section 28a to read as follows:

SEC. 28b. *How certain wholesalers, selling mostly "specialty" food items may under specific conditions apply to be excluded from using the markups in this regulation for the purpose of establishing their ceiling prices.* (a) If you meet the average markup requirement specified in this section and do business in the manner outlined in this section you may apply under paragraph (b) of this section to be excluded from using the markups in this regulation for the purpose of establishing your ceiling prices.

(1) Most of your sales prior to April 5, 1951, were and still are of "specialty" food items.

(2) Most of your sales prior to April 5, 1951, were and still are made by delivery.

(3) Most of your sales prior to April 5, 1951, were and still are made through the services of outside salesmen or fieldmen.

(4) Most of your sales prior to April 5, 1951, were and still are made with credit.

(5) Your average markup on "net cost" was at least 22 percent on all food sales for your fiscal year 1950. If not in business during all of 1950, use your most recent fiscal period.

(b) You must before May 31, 1951, file with the OPS district office for your area an application in duplicate showing clearly that you do business as outlined in paragraph (a) of this section and setting forth the following for the calendar or fiscal year 1950:

(1) Total dollar amount of sales.

(2) Cost of goods sold.

(3) Total dollar amount of sales delivered or shipped by you.

(4) Total dollar amount of sales made through outside salesmen or fieldmen.

(5) Total dollar amount of credit sales.

(6) Profit and loss statement.

You may consider yourself excluded from using the markups in this regulation for the purpose of establishing your ceiling prices as soon as you have filed your application in accordance with this section. Then figure all your ceiling prices for food items under the General Ceiling Price Regulation, as amended. This authority may be withdrawn if it is determined by OPS that you do not qualify for adjustment under this section. Applications for adjustments are governed by Price Procedural Regulation 1.

7. Section 33 is amended by adding paragraph (i):

(i) *Specialty foods.* Specialty foods shall mean food items normally classed as table delicacies or luxury items such as sea squab, terrapin stew, brandied fruits, fancy imported foods, wild game, etc. which the average wholesale grocer and retailer does not stock as a complete line of merchandise.

(Sec. 704, Pub. Law 774, 81st Cong.)

Effective date. This amendment shall become effective on May 10, 1951.

NOTE: The record-keeping and reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 10, 1951.

[F. R. Doc. 51-5555; Filed, May 10, 1951; 4:00 p. m.]

[Ceiling Price Regulation 15, Amdt. 2]

CPR 15—CEILING PRICES OF CERTAIN FOODS SOLD AT RETAIL IN GROUP 3 AND GROUP 4 STORES

MISCELLANEOUS AMENDMENT

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 2 to Ceiling Price Regulation 15 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment corrects certain typographical errors in CPR-15; excludes retail route sellers from the operation of this regulation for frozen food sales; excludes stores selling mostly "specialty" food items from using the markups in this regulation if they meet certain specific conditions, including an average markup on "net cost" of 40 percent or more in their fiscal year 1950 on all food sales in their stores; and, provides for the procedure to be followed by retailers purchasing from service fee wholesalers.

Item 3 of this amendment deals with frozen food sales by retail route sellers. The provisions of this regulation presently apply to retail route sellers only with respect to frozen foods. A survey of the best data available shows that, in general, retail route sellers of frozen foods are under expenses of doing business that are not comparable to retail stores and that markups for the two types of sellers are not generally the same. The markup for frozen foods provided in this regulation does not reflect an allowance for this type of operation. It was for this reason that retail route sellers were generally excluded from this regulation in the first instance on all other items. Exclusion from this regulation does not mean, however, the decontrol of prices for frozen foods by retail route sellers. They will continue to price frozen foods under the General Ceiling Price Regulation.

Item 4 of this amendment deals with stores selling "specialty" food items. There is no hard and fast definition of just what constitutes a "specialty" food item. Generally, "specialty" stores dealing in fancy or "specialty" food items, sometimes described as "table delicacies" or "gourmet's delights", only deal to a very limited extent in cost of living dry groceries such as this regulation is intended to cover. It is evident that the cost of merchandising "specialty" food items is far in excess of that for cost of living items, e. g. elaborate display fixtures and facilities; employment of specially trained salesmen; selection of food items on the basis of unusual quality, flavor or novelty; special containers or wrappings; and employment of highly qualified tasters to select the finest domestic and foreign food items. A few illustrations will indicate the wide variety of the food assortments handled by "specialty" stores. For example, sea squab, pate of smoked rainbow trout, terrapin stew, caviar, brandied fruits, wild game, preserved kumquats, and rattlesnake meat. Available facts indicate that stores offering mostly "specialty" items have realized an average markup on "net cost" in excess of 40 percent for all food items. The markups provided in this regulation are not tailored to reflect the services that are involved in selling "specialty" food items. In fact the markups for Group 1 stores under CPR-16 yield an average markup on "net cost" of approximately 27 percent, an amount far less than that historically realized by "specialty" food stores. The Director of Price Stabilization after very careful consideration has determined that stores or food departments selling mostly "specialty" food items may be excluded from using the markups provided in this regulation if they meet the specific conditions set forth in this amendment, including an average markup on "net cost" of 40 percent or more in their fiscal year 1950 on all food sales in their stores. They will establish their ceiling prices for all food items under the General Ceiling Price Regulation in the event they are granted an adjustment in accordance with this amendment.

In the formulation of this amendment, special circumstances have rendered impractical consultation with official advisory committees, including trade association representatives. However, the provisions of this amendment incorporate the recommendations of persons

representing substantial segments of the industry. In the judgment of the Director of Price Stabilization the provisions of this amendment are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

So far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objective of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

AMENDATORY PROVISIONS

Ceiling Price Regulation 15 is amended in the following respects:

1. Section 14 is amended by deleting the words "as amended" at the end of the first sentence thereof.

2. Section 18 is amended by deleting the words "and your name" from the first sentence thereof.

3. Section 2, paragraph (a), is amended by deleting the last two sentences thereof, and substituting therefor the following new sentence: "The provisions of this regulation do not apply to 'retail route sellers', to sales of 'specially prepared dietetic foods' by 'health food stores' or 'health food departments', or to automatic vending machines or farmers selling produce grown on their own farms."

4. A new section, 26a, is inserted between section 26 and section 27 to read as follows:

SEC. 26a. *How certain stores or food departments, selling mostly "specialty" food items may under specific conditions apply to be excluded from using the markups in this regulation for the purpose of establishing their ceiling prices.* (a) If your store or food department meets the average markup requirement specified in this section and does business in the manner outlined below you may apply under paragraph (b) of this section to be excluded from using the markups in this regulation for the purpose of establishing your ceiling prices.

(1) Most of your sales in your store or food department are sales of "specialty" food items made by sales clerks who assist customers in selecting, collecting and wrapping or packaging merchandise.

(2) Your store or food department generally offers to all its customers the services of accepting and filling telephone orders, carrying monthly charge accounts and providing delivery.

(3) The general level of your prices in your store or food department was higher than Group 1 stores in your community during your fiscal year 1950.

(4) The average markup on "net cost" was at least 40 percent on all food sales for your fiscal year 1950 and also, if you are not an independent store, at least 40 percent on the combined food sales in all the stores for which you seek adjustment in your organization. Do not count a restaurant as a food department. If not in business during all of 1950, use your most recent fiscal period.

(b) You must before May 30, 1951, file with the OPS district office for your area an application in duplicate (1) showing clearly that you do business as outlined in paragraph (a) above of this section and (2) showing the number of items you normally sell in your store or food department, and (3) showing your average markup on "net cost" for fiscal year 1950 (if not in business during all of 1950 use your most recent fiscal period), and (4) showing the percentage of food items which produce an average markup on "net cost" of 40 percent or more to the total number of food items you sell in your store or food department. You may consider your store or food department excluded from using the markups in this regulation for the purpose of establishing your ceiling prices as soon as you have filed your application in accordance with this section. Then figure all your ceiling prices for food items under the General Ceiling Price Regulation, as amended. This authority may be withdrawn if it is determined by OPS that your store or food department does not qualify for adjustment under this section. Applications for adjustments are governed by Price Procedural Regulation 1.

5. Section 4 is amended by redesignating paragraph (a) (3) as paragraph (a) (4) and inserting the following new paragraph as paragraph (a) (3):

(3) If you are figuring your ceiling price for an item on the basis of a purchase made from a "service fee wholesaler", your "net cost" may not exceed his ceiling price for the item figured on a single unit basis plus transportation charges you paid, if any, as defined in this section. You will be notified by the "service fee wholesaler" of his ceiling price either on his invoice or order form or other written document.

6. Section 35 is amended by adding paragraph (j):

(j) *Specialty foods.* Specialty foods shall mean food items normally classed as table delicacies or luxury items such as sea squab, terrapin stew, brandied fruits, fancy imported foods, wild game, etc., which the average wholesale grocer and retailer does not stock as a complete line of merchandise.

(Sec. 704, Pub. Law 774, 81st Cong.)

Effective date. This amendment shall become effective on May 10, 1951.

NOTE: The record-keeping and reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 10, 1951.

[F. R. Doc. 51-5556; Filed, May 10, 1951; 4:00 p. m.]

[Ceiling Price Regulation 16, Amdt. 2]

CPR 16—CEILING PRICES OF CERTAIN FOODS SOLD AT RETAIL IN GROUP 1 AND GROUP 2 STORES

MISCELLANEOUS AMENDMENT

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (16 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 2 to Ceiling Price Regulation 16 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment corrects certain typographical errors in CPR-16; excludes retail route sellers from the operation of this regulation for frozen food sales; excludes stores selling "specialty" food items from using the markups in this regulation if they meet certain specific conditions, including an average markup on "net cost" of 40 percent or more in their fiscal year 1950 on all food sales in their stores; and, provides for the procedure to be followed by retailers purchasing from service fee wholesalers.

Item 3 of this amendment deals with frozen food sales by retail route sellers. The provisions of this regulation presently apply to retail route sellers only with respect to frozen foods. A survey of the best data available shows that, in general, retail route sellers of frozen foods are under expenses of doing business that are not comparable to retail stores and that markups for the two types of sellers are not generally the same. The markup for frozen foods provided in this regulation does not reflect an allowance for this type of operation. It was for this reason that retail route sellers were generally excluded from this regulation in the first instance on all other items. Exclusion from this regulation does not mean, however, the decontrol of prices for frozen foods by retail route sellers. They will continue to price frozen foods under the General Ceiling Price Regulation.

Item 4 of this amendment deals with stores selling "specialty" food items. There is no hard and fast definition of just what constitutes a "specialty" food item. Generally, "specialty" stores dealing in fancy or "specialty" food items, sometimes described as "table delicacies" or "gourmet's delights," only deal to a very limited extent in cost of living dry groceries such as this regulation is intended to cover. It is evident that the cost of merchandising "specialty" food items is far in excess of that for cost of living items, e.g., elaborate display fixtures and facilities; employment of specially trained salesmen; selection of food items on the basis of unusual quality, flavor, or novelty; special containers or wrappings; and, employment of highly qualified tasters who select the finest domestic and foreign food items. A few illustrations will indicate the wide variety of the food assortments handled by "specialty" stores. For example, sea squab, pate of smoked rainbow trout, terrapin stew, caviar, brandied fruits, wild game, preserved kumquats, and rattlesnake meat. Available facts indicate that stores offering such "specialty" items have realized an average markup on "net cost" in excess of 40 percent on all food items. The markups provided in this regulation are not tailored to reflect the services that are involved in selling "specialty" food items. In fact the markups for Group 1 stores under CPR-16 yield average markup on "net cost" of approximately 27 percent, an amount far less than that historically realized on "specialty" food items.

The Director of Price Stabilization after very careful consideration has determined that stores or food departments selling "specialty" food items may be excluded from using the markups provided in this regulation if they meet the specific conditions set forth in this amendment, including an average markup on "net cost" of 40 percent or more in their fiscal year 1950 on all food sales in their stores. They will continue to establish their ceiling prices for food items under the General Ceiling Price Regulation in the event they are granted an adjustment in accordance with this amendment.

In the formulation of this amendment, special circumstances have rendered impractical consultation with official advisory committees, including trade association representatives, however, the provisions of this amendment incorporate the recommendations of persons representing substantial segments of the industry. In the judgment of the Director of Price Stabilization the provisions of this amendment are generally fair and equitable and are necessary to effectuate the purposes of title IV of the Defense Production Act of 1950.

So far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objective of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

AMENDATORY PROVISIONS

Ceiling Price Regulation 16 is amended in the following respects:

1. Section 14 is amended by deleting the words "as amended" at the end of the first sentence thereof.

2. Section 18 is amended by deleting the words "and your name" from the first sentence thereof.

3. Section 2, paragraph (a), is amended by deleting the last two sentences thereof, and substituting therefor the following new sentence: "The provisions of this regulation do not apply to 'retail route sellers', to sales of 'specially prepared dietetic foods' by 'health food stores' or 'health food departments', or to automatic vending machines or farmers selling produce grown on their own farms."

4. A new section, 24a, is inserted in Article III after section 24 to read as follows:

SEC. 24a. *How certain stores or food departments, selling mostly "specialty" food items may under specific conditions apply to be excluded from using the markups in this regulation for the purpose of establishing their ceiling prices.* (a) If your store or food department meets the average markup requirement specified in this section and does business in the manner outlined below you may apply under paragraph (b) of this section to be excluded from using the markups in this regulation for the purpose of establishing your ceiling prices.

(1) Most of your sales in your store or food department are sales of "specialty" food items made by sales clerks who assist customers in selecting, collecting and wrapping or packaging merchandise.

(2) Your store or food department generally offers to all its customers the services of accepting and filling telephone orders, carrying monthly charge accounts and providing delivery.

(3) The general level of your prices in your store or food department was higher than Group 1 stores in your community during your fiscal year 1950.

(4) The average markup on "net cost" was at least 40 percent on all food sales for your fiscal year 1950 and also, if you are not an independent store, at least 40 percent on the combined food sales in all the stores for which you seek adjustment in your organization. Do not count a restaurant as a food department. If not in business during all of 1950, use your most recent fiscal period.

(b) You must before May 30, 1951, file with the OPS district office for your area an application in duplicate (1) showing clearly that you do business as outlined in paragraph (a) of this section and (2) showing the number of items you normally sell in your store or food department, and (3) showing your average markup on "net cost" for fiscal year 1950 (if not in business during all of 1950 use your most recent fiscal period), and (4) showing the percentage of food items which produce an average markup on "net cost" of 40 percent or more to the total number of food items you sell in your store or food department. You may consider your store or food department excluded from using the markups in this regulation for the purpose of establishing your ceiling prices as soon as you have filed your application in accordance with this section. Then figure all your ceiling prices for food items under the General Ceiling Price Regulation, as amended. This authority may be withdrawn if it is determined by OPS that your store or food department does not qualify for adjustment under this section. Applications for adjustments are governed by Price Procedural Regulation 1.

5. Section 4 is amended by adding to paragraph (a) the following new paragraph as paragraph (a) (3):

(3) If you are figuring your ceiling price for an item on the basis of a purchase made from a "service fee wholesaler", your "net cost" may not exceed his ceiling price for the item figured on a single unit basis plus transportation charges you paid, if any, as defined in this section. You will be notified by the "service fee wholesaler" of his ceiling price either on his invoice or order form or other written document.

6. Section 30 is amended by adding paragraph (j):

(j) *Specialty foods.* Specialty foods shall mean food items normally classed as table delicacies or luxury items such as sea squab, terrapin stew, brandied fruits, fancy imported foods, wild game, etc., which the average wholesale grocer and retailer does not stock as a complete line of merchandise.

(Sec. 704, Pub. Law 774, 81st Cong.)

Effective date. This amendment shall become effective on May 10, 1951.

NOTE: The record-keeping and reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 10, 1951.

[F. R. Doc. 51-5557; Filed, May 10, 1951; 4:00 p. m.]

[Ceiling Price Regulation 22, Amdt. 2]

CPR 22—MANUFACTURERS' GENERAL CEILING PRICE REGULATION

"PARITY" ADJUSTMENT FOR COOPERATIVES, PRODUCER-PROCESSORS, ET AL.

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 2 to Ceiling Price Regulation 22 is hereby issued.

STATEMENT OF CONSIDERATIONS

Under the present provisions of section 21 of Ceiling Price Regulation 22, some processors who produce their own agricultural commodities, and some producer-owned cooperative processors are unable to take advantage of the "materials cost adjustment" provisions of that section (which are similar to the parity "pass-through" provisions of section 11, General Ceiling Price Regulation), because they make no purchases of below-parity commodities. They therefore have no way of determining the differences in the cost to them of such commodities between the base period and a current date. As a result, these processors may find themselves unable to pay their members prices for below-parity commodities equal to those paid to growers by independent processors, and producer-processors would be unable to realize a return for their production activities equal to the prevailing market price on their raw commodities.

A slightly different problem is present in the case of processors operating under "open" price and deferred payment contracts. These contracts relate the price paid to the producer for the listed commodity to the processor's subsequent sales price or profit on the sale, or, as is frequently the case in the dairy industry, to a price determined by state or municipal authorities, or to other factors unknown at the time the processor receives delivery. Such a processor could not take immediate advantage of the "pass-through" provision because he cannot finally determine the cost to him of the listed agricultural commodity until after he processes and sells it.

This amendment deals with the above problems in the following manner:

For producer-processors and processors who purchase listed agricultural commodities pursuant to "open" price or deferred payment contracts, this amendment provides that, in calculating the "materials cost adjustment" to

which they are entitled under section 21 (b) or (c), they may adopt the prices their nearest competitor had to pay for the listed agricultural commodity.

It is further provided that producer-owned cooperatives may increase their ceiling prices, so long as the agricultural commodity is listed in Appendix C of CPR 22, provided that they pass back to producers the entire dollar-and-cent amount of that increase. By this method increases in the processing margin of cooperatives are prevented but the producer is not stopped from realizing a return equal to parity on the raw commodity.

In the judgment of the Director of Price Stabilization this amendment is generally fair and equitable and is necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

AMENDATORY PROVISIONS

Ceiling Price Regulation 22 is amended by adding a new paragraph (f) in section 21 to read as follows:

(f) *Special provisions for Cooperatives, Producer-Processors, etc.* (1) If (i) you are a producer-processor, and (ii) you cannot otherwise determine your "materials cost adjustment" for a listed agricultural commodity under paragraphs (b) or (c) of this section because you do not customarily purchase any amount of that commodity from independent producers wholly unaffiliated with you, calculate your "materials cost adjustment" as follows: For purposes of paragraphs (b) or (c) of this section, use as your net costs per unit the same prices (with adjustment for differences in delivery costs) paid by your nearest competitor. Such competitor must be one who buys the same quality of the commodity as do you, buys it in quantities comparable to the quantities in which you buy, and buys it at firm prices for processing. Action under this subparagraph is limited by the provisions of paragraph (d) (2) of this section.

(2) If (i) you are a processor who purchases the listed agricultural commodity under "open" price or deferred payment contracts which relate the price you pay the producer to facts unknown both at the time the raw agricultural commodity is delivered to you and at the time of sale of the processed product, and (ii) you cannot otherwise determine your "materials cost adjustment" for a listed agricultural commodity under paragraph (b) or (c) of this section because you do not customarily purchase any amount of that commodity at prices finally determined at the time of sale, calculate your "materials cost adjustment" as follows: For purposes of paragraph (b) or (c), use as your net costs per unit the same prices (with adjustment for differences in delivery costs) paid by your nearest competitor. Such competitor must be one who buys the same quality of the commodity as do you, buys it in quantities comparable to the quantities in which you buy, and buys it at firm prices for processing. Action under this subparagraph is limited by the provisions of paragraph (d) (2).

(3) If (i) you are a producer-owned cooperative processor, and (ii) you cannot otherwise determine your "materials cost adjustment" for a listed agricultural commodity under paragraph (b) or (c), of this section because you do not customarily purchase any amount of that commodity from independent producers wholly unaffiliated with you, you may increase your ceiling price (as determined under the other sections of this regulation) for products processed from such commodities if the entire dollar-and-cent increase in total gross sales revenue derived from that increase in your ceiling price is passed back to producers within 30 days after the end of each normal accounting period. The amount so passed back must be in addition to the full amount you would normally have passed back to producers had you sold the processed product at the ceiling price determined under the other sections of this regulation. You may not, however, increase your ceiling price after either of the dates set out in paragraph (d) (2) of this section as the final dates that may be used by other processors for figuring changes in net cost.

Effective date. This amendment shall become effective May 16, 1951.

NOTE: The record-keeping and reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5610; Filed, May 11, 1951; 11:44 a. m.]

[CPR 22, Interpretations 2-17]

CPR 22—MANUFACTURERS' GENERAL CEILING PRICE REGULATION

INTERPRETATIONS

The following interpretations under the manufacturers' General Ceiling Price Regulation (CPR 22) were issued through May 7, 1951.

CPR 22, INT. 2—GENERAL LIMITS OF EXEMPTION

Commodities or sales exempted from CPR 22 under Appendix A or under section 1 are thereby exempted only from CPR 22 and are still subject to price control under such other regulations as may be applicable.

CPR 22, INT. 3—SALES AT WHOLESALE AND AT RETAIL (SEC. 1)

When a manufacturer sells the same commodity both at wholesale and at retail, only his sales at wholesale are covered by CPR 22, inasmuch as section 1 expressly exempts sales at retail. His sales at retail would be covered by such other regulations as may be applicable.

CPR 22, INT. 4—ELECTION (SEC. 1)

Section 1, CPR 22, permits a manufacturer whose gross sales for his last complete fiscal year were less than $250,000 to elect not to use the regulation. This is, in effect, an option to continue using GCPR for commodities which would otherwise be covered by CPR 22.

(a) A manufacturer must determine his "last complete fiscal year" by reference to the effective date of the regulation, May 28, 1951, and not by reference to the date of issuance of the regulation, April 25, 1951. Thus, the last complete fiscal year for a manufacturer whose year ends on April 30 is the year ending April 30, 1951, and not the year ending April 30, 1950. Likewise, if his fiscal year ends on May 31, the last complete fiscal year is the year ending May 31, 1950 and not the year ending May 31, 1951.

(b) The $250,000 figure relates to total sales of all commodities which he manufactures regardless of how much of such commodities are subject to this regulation, GCPR, or any other regulation. Thus, if his total sales were $600,000, he has no election even though only $240,000 of these sales related to commodities subject to the regulation. Similarly, if his total wholesale and retail sales of the commodities manufactured by him were $600,000, he has no election even though the sales at wholesale amounted only to $240,000 and the remainder were sales at retail (exempted sales).

(c) If a manufacturer's gross sales for his last complete fiscal year were $250,000 or more, he may not thereafter make the election provided by section 1, CPR 22, even though his gross sales in a subsequent fiscal year should drop below $250,000.

(d) A manufacturer who makes the election to use GCPR instead of CPR 22, as permitted by section 1, is not required to file any report of such election.

(e) A manufacturer may elect to use GCPR instead of CPR 22, under section 1, if the total of all sales for his last complete fiscal year of all commodities manufactured by him is less than $250,000, even though the total of his combined sales as a manufacturer and as a wholesaler or retailer of commodities manufactured by others is $250,000 or more.

CPR 22, INT. 5—BASE PERIOD PAYROLL, RETROACTIVE WAGE INCREASES NOT INCLUDED (SEC. 8 (c))

The provision of section 8 (c), CPR 22, with respect to recomputation of base period payroll on the basis of wage rates "in effect on March 15, 1951" does not include any adjustment of wage rates made thereafter, even though the adjustment may be made retroactive to March 15, 1951 or some prior day. This would be the case whether the adjustment is made pursuant to an express provision in a contract in effect on March 15, 1951 or otherwise.

CPR 22, INT. 6—"BASE PERIOD PAYROLL," INCLUSION OF OVERTIME WAGES (SEC. 8 (c))

"Base period payroll" as used in section 8 (c), CPR 22, would include overtime actually paid during the payroll period. The recomputed payroll should include the same amount of overtime hours as the base period payroll, calculated at the rates prevailing on March 15, 1951. This method of calculation was provided because it is the simplest way of arriving at the increase in

straight time wage rates. Since the same amount of overtime hours is included in both calculations, the result will generally be substantially the same as that which would be obtained by eliminating overtime payments from both the base period and the recomputed payroll.

CPR 22, INT. 7—MAINTENANCE COSTS (SEC. 10)

The exclusion from "manufacturing material" in section 10, CPR 22, of materials used in "maintaining" a manufacturer's plant was intentional and the inclusion in labor costs of section 8 of labor used in "ordinary maintenance and repair" was intentional. This was done because of the difficulties of segregating maintenance labor from other factory labor.

CPR 22, INT. 8—"CONVERSION STEEL," (SECS. 18, 44)

The definition of "conversion steel" as used in sections 18 and 44 of CPR 22 is the same as that in NPA Order M-47, section 2 (d) (16 F. R. 3130), which is as follows:

"'Conversion steel' means steel mill products which have been obtained by the consumer in consequence of the consumer or some other person having furnished, directly or indirectly, to one or more steel producers or converters, steel mill products in a less finished form such as, but not limited to, ingots, blooms, billets, slabs, rods, skelp, and hot rolled sheets in coils, for the express purpose of procuring such steel mill products."

CPR 22, INT. 9—USE OF SECTION (SEC. 18 (C))

A manufacturer may not use section 18 (c) in the case of deliveries received pursuant to a contract entered into more than 60 days prior to the prescribed date, even though such deliveries were received within 30 days of the prescribed date. Conversely, he may not use section 18 (c) in the case of deliveries received more than 30 days prior to the prescribed date, even though such deliveries were received pursuant to a contract entered into within 60 days prior to the prescribed date. The purpose of section 18 (c) is to avoid the use of "stale" prices which would be unrepresentative of actual market conditions as of the prescribed dates, and which might in many cases result in an unfair and unrealistic figure for the materials-cost adjustment.

CPR 22, INT. 10—LONG TERM CONTRACTS SUBJECT TO PRICE REVISIONS (SECS. 18 (C), 47)

A manufacturer purchases materials under a contract signed on March 15, 1950 providing for successive deliveries of materials from April 1, 1950 through March 31, 1951. The contract states a price for the materials, but gives the seller the option to increase or decrease the price with respect to the calendar quarters commencing on July 1, 1950, October 1, 1950 and Jannary 1, 1951. To change the price the seller must give the manufacturer notice at least fifteen days before the beginning of the calendar quarter in which the new price is to be effective. The question is presented under section 18 (c) and (d) as to whether this contract constitutes a contract "bearing a firm price entered into more than 60 days prior to the prescribed date. . . ."

The manufacturer's base period is April 1, to June 24, 1950, so that he computes his materials cost as of the prescribed dates of June 24, 1950 and December 31, 1950.

The contract may be considered as representing a series of quarterly contracts within the meaning of section 18 (c) and (d). As to section 18 (c), the deliveries actually received by the manufacturer during the base period would have been made pursuant to the quarterly contract which became effective April 1, 1950. Inasmuch as this quarterly contract is considered to have been "entered into" on March 15, 1950, more than 60 days prior to the first prescribed date of June 24, 1950, the manufacturer would not use as his materials cost under section 18 (c) the price stated in the contract for the first quarter.

As to section 18 (d), the price stated in the contract for the quarters beginning July 1, 1950, October 1, 1950 and January 1, 1951 may be considered to be an "open" price in view of the seller's reservation of the absolute right to change the price. The price does not, therefore, become firm until (1) such time as the seller gives notice of his exercise of the option to change the price, or (2) the first day after the expiration of the time within which he must give such notice. Therefore, under section 18 (d) the second quarterly contract, beginning July 1, 1950, may be considered to have been "entered into" either on the day on which the seller gave the required notice of the new price or, failing such notice, on June 17, 1950 (the 14th day prior to July 1, 1950). This quarterly contract might then be considered as a contract "entered into" within 60 days prior to the first prescribed date of June 24, 1950 within the meaning of section 18 (d).

Similarly, with respect to the second prescribed date of December 31, 1950, the quarterly contract commencing January 1, 1951 would be considered to have been "entered into" on the day on which the seller either gave the required notice of the new price, or failing such notice, on December 18, 1950 (the 14th day prior to January 1, 1951).

Similar contracts which, however, leave the prices for each quarter "open", shall be construed in the same manner as the above-described contract.

CPR 22, INT. 11—WHO MUST REPORT (SEC. 46 (B))

A manufacturer who does not calculate either his labor cost adjustment or his materials cost adjustment and, instead, uses his base period price as his ceiling price under the regulation, as is permitted by section 3 (a), CPR 22, must nevertheless file Public Form No. 8 as required by section 46 (b). In such case he should supply, in addition to his name and address, the information required by Items 1, 2 and 3, and should indicate on the Form that he has elected to use his base period price.

CPR 22, INT. 12—CORPORATE IDENTITY (SEC. 47)

The separate identity of corporations may not be disregarded under CPR 22. Thus, a subsidiary corporation wholly owned by a manufacturer and acting as exclusive sales agent for the manufacturer is not a manufacturer under CPR 22. The subsidiary, therefore, may not determine its ceiling price under the regulation. Conversely, a manufacturing corporation that distributes all of its products through a wholly owned subsidiary that sells at retail is subject to CPR 22, and is not itself selling at retail within the meaning of section 1. As a further illustration where two manufacturing corporations are wholly owned by a third manufacturing corporation, all three are separate manufacturers under CPR 22. This is the case even if the three corporations are engaged in separate steps in the manufacture of a single finished commodity (assuming that the separate steps constitute manufacturing).

CPR 22, INT. 13—"MANUFACTURER," CONVERTERS, FINISHERS, DYERS, AND THROWSTERS (SEC. 47)

Textile fabric and yarn converters, finishers, dyers, and throwsters (except for sales by them of wool yarn and fabrics as listed in Appendix A, par. (e) (2), and for sales by them at retail) are "manufacturers" within the definition in section 47, CPR 22, under the following conditions:

(a) A converter who sells yarn or finished piece goods which he finishes or which are finished for his account by someone else;

(b) A finisher, dyer, or throwster who sells yarn or finished piece goods which he processes for his own account and risk.

However, a finisher, dyer, or throwster who processes yarn or piece goods which are owned by someone other than himself is not a manufacturer under the definition. (Such a finisher, dyer, or throwster customarily renders an industrial service for the account of, and to the specification of, another person on a "commission" or agreed price per unit basis.)

CPR 22, INT. 14—"NET SALES," SELLING COMMISSIONS NOT DEDUCTIBLE (SEC. 47)

The term "net sales" is defined in section 47, CPR 22, as referring to "gross sales after trade discounts, less returns and allowances" and applies only to allowances made to the purchaser. Selling commissions, being payments to other persons than the purchaser, whether paid to an employee, broker, or other company, are not "trade discounts", "returns", or "allowances". Therefore, in computing net sales a manufacturer may not deduct the amount of such selling commissions paid by him.

CPR 22, INT. 15—"SALE AT RETAIL" (SEC. 47)

A sale to a "commercial, industrial, governmental or institutional user", is not a "sale at retail" as defined in section 47, CPR 22, even though the commodity sold to such user is not to be resold. Thus, a gasoline pump sold to a

service station by the manufacturer, or a typewriter or carbon paper sold to a business establishment, is not a sale at retail but constitutes a sale to a commercial user.

CPR 22, INT. 16—APPENDIX A, GENERAL

The exemptions from CPR 22 provided by Appendix A are limited to the specific commodities listed and do not extend to commodities produced or processed in whole or in part from the listed commodities unless otherwise specified in Appendix A. For example, "Leather, tanned and finished" is exempted by par. (o) of Appendix A. This exemption, however, extends only to leather in its form at the end of the tanning and finishing processes. Thus, sales by manufacturers of leather products such as cut soles, counters, welting, box toes, and shoe uppers are not exempted. The only reason that "Footwear, except rubber footwear" is exempted is because it is specifically exempted by par. (p) of Appendix A.

CPR 22, INT. 17—APPENDIX A, SCRAP AND WASTE MATERIALS, BY-PRODUCTS NOT EXEMPTED

The residue or remainder resulting from a manufacturing process does not constitute "scrap and waste materials" as exempted from CPR 22 by Appendix A, par. (b) (4), if it is in fact a by-product of the manufacturing process and sold as such by the manufacturer. The exemption is available only for such materials as are actually considered by the custom of the trade to constitute scrap or waste and are sold as such by the manufacturer.

HAROLD LEVENTHAL,
Chief Counsel, Office of Price Stabilization.

[F. R. Doc. 51-5615; Filed, May 11, 1951; 11:46 a. m.]

[Ceiling Price Regulation 24, Amendment 2]

CPR 24—CEILING PRICES OF BEEF SOLD AT WHOLESALE

MISCELLANEOUS AMENDMENTS

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), Economic Stabilization Agency General Order 2 (16 F. R. 738), Delegation of Authority by the Secretary of Agriculture to the Economic Stabilization Agency with respect to the Allocation of Meat (16 F. R. 1272) and Economic Stabilization Agency General Order 5 (16 F. R. 1273) this Amendment 2 to Ceiling Price Regulation 24 is hereby issued.

STATEMENT OF CONSIDERATIONS

The accompanying amendment to CPR 24 makes several substantive changes as well as certain corrections and clarifications of a minor nature. The amendment does the following: Allows for the sale of retail cuts under certain limitations; advances the effective date for sales of some fabricated and boneless beef cuts; provides a dollars-and-cents ceiling price for imported cured boneless processing beef; clarifies the status of sales of other imported beef; amends the records provision to allow for customary industry practices; modifies the variety meat schedule of prices; clarifies the situation where a wholesaler also qualifies as either a combination distributor or as a hotel supply house or as both; redefines combination distributor; clarifies the meaning of fresh meat carload freight rate; corrects the definition of boneless beef round; adds prices to the boneless beef schedule and adds a definition for boneless beef shanks; and makes certain other minor corrections.

(1) This amendment allows sales, under certain conditions, of retail cuts to retailers who have customarily bought beef in this form primarily because they did not have facilities for cutting the meat.

(2) To permit sellers who have prepared prior to May 7, 1951, fabricated beef cuts which have not been graded or have not been prepared in accordance with specifications and ungraded boneless beef cuts an additional period of time within which to dispose of such cuts, this amendment provides that such sellers may sell and deliver such beef cuts through May 30, 1951, at the prices established by the General Ceiling Price Regulation.

(3) Since early 1951, a substantial quantity of cured Mexican boneless beef has been imported into this country for processing, the first imports arriving in the latter part of February, 1951. This amendment provides a ceiling price for this product, whether imported from Mexico or other foreign countries. The price established is f.o.b. point of entry to provide a normal distributive pattern. This price is established at a level slightly below the domestic price for boneless processing beef because the curing diminishes its value for processing.

(4) Some confusion has arisen concerning ceiling prices for sales of imported beef. To dispel this confusion, this amendment specifically provides that the ceiling prices for sales of imported beef (except cured boneless processing beef) shall be the same as the domestic ceiling prices for similar products.

(5) This amendment modifies the time limitation on forwarding invoices to the buyer in order not to disrupt customary practices of the industry.

(6) The requirement of separately stating on each invoice sex identification as to stag or bull has been modified to require such identification only in the case of a sale of bull meat.

(7) To promote an equitable distribution of variety meats, this amendment allows a zone differential for these items. Ceiling prices have been provided for kosher cheek meat, unscalded lips, tails, and three types of tripe, and the ceiling price formerly provided for kosher kidneys has been eliminated.

(8) Under Ceiling Price Regulation 24 certain establishments may qualify as both a combination distributor or hotel supply house and as a wholesaler. It was not the intention of the regulation to permit an establishment to obtain the wholesaler addition and the combination distributor or hotel supply house addition. Accordingly, the regulation is amended to require such establishments to elect whether they shall be in one category or the other.

(9) The definition of combination distributor was not intended to allow a packer branch house to add the combination distributor's addition unless its business is similar to that of a hotel supply house. This amendment therefore provides that a branch house will be able to take such an addition only if 70 percent of its sales during 1950 were to purveyors of meals.

(10) There have been established in certain areas of the country more than one fresh meat carload freight rate. In order to make the freight differential uniform throughout the various zones of the country and to clarify the meaning of the regulation, the term "fresh meat carload freight rate" has been redefined. Where there is a different rate for hung carcasses, the rate will be the average of the hung carcass carload rate and the other fresh meat carload rate, except in zone 3. In zone 3, in areas where different fresh meat rates prevail, the rate will be the fresh meat carload rate for other than hung carcasses in order to maintain historical price relationships within that zone.

(11) It was intended that boneless beef rounds be sold with the shank off. The definition of this cut is corrected accordingly.

(12) It is deemed advisable to add boneless beef shanks to the list of boneless beef cuts already priced. Accordingly, this amendment defines and provides ceiling prices by grade for boneless beef shanks.

CONCLUSION

In formulating this amendment the Director of Price Stabilization has consulted with industry representatives as far as practicable and has given full consideration to their recommendations. In his judgment the provisions of this amendment are generally fair and equitable and necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

So far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objective of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

AMENDATORY PROVISIONS

Ceiling Price Regulation 24 is amended in the following respects:

1. a. Section 3 is amended by adding thereto immediately after section 3 (g) the following paragraph:

(h) *Prefabricated retail cuts.* If you are not prohibited by section 11 (b) of this regulation from selling prefabricated retail cuts to a retail selling estab-

lishment, your ceiling price for sales of such cuts to such an establishment shall be 80 percent of the retail ceiling price (Group 1 and 2 stores as established by Ceiling Price Regulation 25) for the corresponding grade and type of retail beef cut applicable in the retail zone area in which the buyer's store is located.

b. Section 11 (b) is amended by adding thereto immediately before section 12 the following sentence: "Moreover, you shall not sell any prefabricated retail cut to a retail selling establishment unless (1) you have customarily sold retail cuts to such establishment, (2) the retailer requests you in writing to continue to sell him prefabricated retail cuts, and (3) you do not sell that retailer any of the beef products listed in Appendix 2."

c. Appendix 7 is amended by adding thereto immediately before Appendix 8 the following paragraph:

(d) *Prefabricated retail cut* means a retail beef cut as defined in Ceiling Price Regulation 25. The grade mark shall not be removed except when such removal cannot be avoided in preparing the cut in accordance with the specifications provided for such cut in Ceiling Price Regulation 25.

2. a. Section 3 is amended by adding thereto, immediately prior to section 4, the following paragraph:

(i) *Boneless beef cuts and fabricated beef cuts.* If you have prepared an ungraded fabricated beef cut or ungraded boneless beef cut prior to May 7, 1951, you may sell and deliver such cuts on or before May 30, 1951. Similarly if you have prepared a fabricated beef cut prior to May 7, 1951, and this cut does not meet the specifications provided in Appendix 4, you may sell and deliver such cuts on or before May 30, 1951. Your ceiling price for such ungraded or unspecified cuts sold and delivered prior to May 31, 1951, shall be your ceiling price established by the General Ceiling Price Regulation.

b. Section 11 (b) is amended by inserting after the words "section 4" therein the phrase "and, until May 31, 1951, except as is provided in Section 3 (i)".

3. a. Section 4 (b) is deleted and the following substituted therefor:

(b) *Cured beef items.* (1) If you sold cured, corned, cooked, smoked, barbecued or dried beef items during 1950, your ceiling prices are established by the General Ceiling Price Regulation. You must, however, file the report required under section 10 (b) of this regulation. Except as is provided in section 4 (b) (2) of this regulation, if you did not sell these items during 1950, see section 4 (d).

(2) Your ceiling price for cured boneless processing beef imported into continental United States shall be $53.00 per cwt. for bull and $50.00 per cwt. for other than bull, both f. o. b. point of entry. Such beef may not contain more than 5 percent salt or other curing agent nor more than 10 percent fat by chemical analysis. You may not add any of the additions in Article IV.

b. Section 4 (d) is amended by deleting therefrom "4 (b)" and substituting therefor "4 (b) 1".

c. Section 10 (b) is amended by deleting therefrom the words "section 4 (b) or (c)" and substituting therefor, the words "section 4 (b) (1) or section 4 (c)."

4. Section 7 is deleted and the following substituted therefor:

SEC. 7. *Import and export sales*—(a) *Ceiling prices for sales of imported beef.* Except as provided in section 4 (b) (2), your ceiling price for any imported beef product shall be the same as your domestic ceiling price for that product.

(b) *Ceiling prices and records for export sales*—(1) *Ceiling prices.* The ceiling prices at which you may export any beef product shall be your domestic ceiling price for the beef product f. o. b. your place of business (in this instance your distribution point shall be your place of business) plus any of the following costs actually incurred incidental to exportation of the product:

(i) Cost of transportation to the dock.
(ii) Export packing and freezing costs.
(iii) Demurrage or warehouse charges.
(iv) Ocean freight costs.
(v) Insurance costs.
(vi) Consular fees.
(vii) Freight forwarders' fees.

You may not however add any of the additions specified in Article IV of this regulation except the additions set forth in section 40 and section 42, where applicable.

(2) *Records.* You shall make and preserve the records required in section 9 (a) of this regulation and in addition to the information required to be shown in paragraphs (1) through (4) therein, you shall also separately list any of the actual costs incurred in paragraph (b) (1) (i) through (vii) of this section. You shall furnish the buyer a written statement showing all this information.

5. Section 9 (b) (2) is deleted and the following substituted therefor:

(2) You shall send with each shipment, other than a C. O. D. shipment, a copy of the written statement referred to in paragraph (a) of this section: *Provided, however,* That the portion of the statement with respect to the price charged, received or paid therefor, may be omitted but (i) such portion must be mailed to the buyer within 24 hours after the shipment left your plant or, (ii) if it has been your customary practice to send invoices weekly, such portion must be mailed to the buyer during the week of the shipment.

6. Section 9 (a) (3) is deleted and the following substituted therefor:

(3) The descriptive name or type of cut or item, the grade (if bull so designate), and the quantity and weight of all beef products sold, transferred, delivered or purchased, received or acquired.

7. (a). Section 26 is deleted and the following substituted therefor:

SEC. 26. *Schedule VII—Beef variety meats and by-products.*[1]

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. You may not add the additions set forth in sections 43, 44, 47, and 48 of this regulation.]

Item	Non-kosher	Kosher	Sales to purveyors of meals
1. Brains	$7.00	$20.00	$9.00
2. Cheek meat	40.00	40.00	----
3. Hanging tender	47.00	62.00	----
4. Head meat	40.00	40.00	----
5. Hearts	35.00	40.00	40.00
6. Kidneys	14.00	----	17.00
7. Lips, unscalded	17.50	21.00	----
8. Lips, scalded	18.50	20.50	----
9. Livers[3]	[1] 60.00	80.00	[2] 75.00
10. Lungs	10.00	18.00	----
11. Melts	10.00	18.00	----
12. Sweet breads, heart	15.00	20.00	19.00
13. Sweet breads, neck	35.00	45.00	43.00
14. Tails	25.00	30.00	30.00
15. Tongues	37.00	50.00	45.00
16. Tripe, cooked	15.00	15.00	----
17. Tripe, honeycomb	23.00	23.00	28.00
18. Tripe, scalded	11.50	11.50	----
19. Udders	8.00	----	----

[1] You may add $5 per cwt. to the prices listed above for sales of livers to a defense procurement agency.
[2] You may add $3 per cwt. to the prices listed above for slicing livers for purveyors of meals.
[3] For any livers which do not meet the specifications in Appendix 6 (a) 9 the ceiling price shall be reduced by $5 per cwt.

b. Section 30 is amended as follows:

(1) Substitute "25" wherever "26" appears in section 30 (a); and

(2) Substitute "sections 20, 21, and 26" wherever "sections 20 and 21" appears in sections 30 (b) through 30 (d), inclusive.

c. Section 3 (f) is amended by inserting "40" between "sections" and "41".

8. Section 50 (u) is amended by adding at the end thereof the following paragraph:

If you are a wholesaler within the meaning of the foregoing definition and if you also qualify as a combination distributor or hotel supply house under section 50 (g), or 50 (k), respectively, you must elect whether you shall be a wholesaler or a combination distributor, or hotel supply house. You shall make your election by filing with your Regional Office of the Office of Price Stabilization the statement required by section 42 of this regulation if you elect to be a wholesaler, or the statement required by section 21 (a) if you elect to be a hotel supply house or the statement required by section 21 (b) if you elect to be a combination distributor. This election shall be made on or before May 30, 1951. If, before that date, you have filed with your Regional Office more than one of the aforesaid statements, you shall, on or before May 30, 1951, notify your Regional Office by a statement in writing of the classification you elect. Once you have made this election, you may not change to a different classification until after December 31, 1951. You may change your classification, once after December 31, 1951, and once after June 30, 1952, and once after each successive December

[1] The ceiling prices for other beef variety meats and by-products shall be those established by the General Ceiling Price Regulation.

31 and June 30 thereafter. You shall notify your Regional Office of such change of classification by a statement in writing. The change in your classification shall be effective five days after you have mailed or delivered such a statement to the Regional Office.

9. Section 50 (g) is deleted and the following substituted therefor:

(g) *Combination distributor* means any establishment (1) Which is not affiliated with a packing or slaughtering plant, packer's branch house, wholesaler's or other non-retail meat selling establishment, and which sold or delivered to purveyors of meals during 1950 not less than 25 percent of the total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it, excluding sales to defense procurement agencies; or

(2) Which is not affiliated with a packing or slaughtering plant, packer's branch house, wholesaler's or other non-retail meat selling establishment to which it is physically attached; and, which sold or delivered to purveyors of meals during 1950 not less than 70 percent of the total volume by weight of all meats including sausage, variety meats and edible by-products, sold or delivered by it, excluding sales to defense procurement agencies.

10. Section 50 (i) is deleted and the following substituted therefor:

(i) *Fresh meat carload freight rate* or *carload freight rate* means the charge solely for transportation of a carload of fresh beef (exclusive of any charge for services, e. g., icing), including the federal transportation tax thereon. If there is a charge for carloads of fresh meat hung carcasses and for carloads of other fresh meat, then fresh meat carload freight rate or carload freight rate shall mean the simple average of those two charges, exclusive of any charge for services, and including the federal transportation tax thereon, except where the distribution point is in Zone 3. Where the distribution point is in Zone 3, and the two charges pertain, fresh meat carload freight rate or carload freight rate shall mean the charge for carloads of fresh meat other than hung carcasses, exclusive of any charge for services, and including the federal transportation tax thereon.

11. Appendix 3 (a) (10) is amended as follows: Insert the words "and shank" between the words "rump" and "and all bones".

12. a. Appendix 3 (a) is amended by adding, immediately following Appendix 3 (a) (16), the following subparagraph:

(17) *Boneless beef shank (shank meat)* means the shank removed as specified in Appendix 4 (a) (1) with all bones removed. It shall be free from visible bruises and blood clots.

b. Section 22 is amended by adding within the table captioned Schedule III immediately below the line beginning "16. Sterilized trimmings" a new line, and prices for columns (2) through (8) consecutively, reading as follows:

17. Shank meat 55.30 56.00 56.70 57.40 58.10 58.80 59.50

13. Section 41 (b) is amended by deleting the word "made" and substituting therefor the word "make".

14. Section 48 is amended by deleting the word "Forequarter" and substituting therefor the words "Forequarter and Triangle".

15. Section 50 (k) (2) is amended by deleting the words "or other" and substituting therefor the words "or other non-retail meat selling establishment".

16. The last three lines of Appendix 7 (b) are amended to read as follows:

name of the cut, the net weight of the meat contained in the package and, except for ground beef, the grade of beef.

(Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.)

Effective date. This amendment shall become effective May 12, 1951.

NOTE: The record keeping and reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5623; Filed, May 11, 1951; 12:02 p. m.]

[Ceiling Price Regulation 25, Amendment 1]

CPR 25—CEILING PRICES OF BEEF ITEMS SOLD AT RETAIL

MISCELLANEOUS AMENDMENTS

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), Economic Stabilization Agency General Order No. 2 (16 F. R. 738), Delegation of Authority by the Secretary of Agriculture to the Economic Stabilization Agency with Respect to the Allocation of Meat (16 F. R. 1272) and Economic Stabilization Agency General Order 5 (16 F. R. 1273), this Amendment 1 to Ceiling Price Regulation 25 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment makes a change in the price of certain primal cuts sold by retailers who have operated locker plants, adds new definitions of retail beef cuts, omits certain previously defined retail beef cuts and beef variety meats and beef by-products, establishes a ceiling price for tongues, changes the ceiling prices for chuck arm and chuck blade steaks and pot roasts, English cuts, bone-in rumps and tails, and corrects certain errors appearing in Ceiling Price Regulation 25.

(1) It was intended by Ceiling Price Regulation 25 to provide locker plants with the full wholesaler addition of $2.25 per cwt. on sales of certain primal cuts to consumers. Due to an error, that regulation provided these retailers with only $1.25 per cwt. of the wholesaler addition. This amendment corrects the error.

(2) This amendment defines those retail beef cuts which were not defined by, but for which ceiling prices were provided by, Ceiling Price Regulation 25 and omits from the definition of retail beef cuts and beef variety meats and beef by-products those items which were defined by, but for which ceiling prices were not provided by, Ceiling Price Regulation 25.

(3) At the time Ceiling Price Regulation 25 was issued, it was not possible to provide a ceiling price for tongues without delaying the issuance of the regulation. Since that time the ceiling prices for tongues have been calculated and they are established in this amendment.

(4) In establishing retail beef ceiling prices an attempt was made to maintain certain historical price relationships among the various retail beef cuts. In specific instances, normal historical relationships have changed in view of marked shifts in consumer purchases from the more expensive to the less expensive cuts. This shift in consumers' preference has exerted upward pressures on historically inexpensive cuts and downward pressures on historically expensive cuts. To bring these retail cuts in line with existing new relationships, price adjustments were found to be necessary in the case of arm chuck, blade chuck, English cut and rump, bone-in. Moreover, it seemed desirable to provide a single price for arm chuck and blade chuck since distinctions between the two were not clearly discernible. For purposes of enforcement, this would obviously provide additional advantages and is necessary to prevent evasions of Ceiling Price Regulation 25.

In formulating this amendment, the Director of Price Stabilization has consulted with industry representatives to the extent practicable and has given full consideration to their recommendations. In his judgment the provisions of this amendment are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

So far as practicable, the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950 to June 24, 1950, inclusive; and to relevant factors of general applicability.

AMENDATORY PROVISIONS

Ceiling Price Regulation 25 is amended in the following respects:

1. The sentence immediately preceding the caption *Retail Price and Grade Differentials* in the statement of considerations is amended to read as follows: "These beef products remain under the General Ceiling Price Regulation or Ceiling Price Regulations 15 and 16."

2. Section 13 (c) is amended as follows: Insert the words "to a retailer" between the words "cut if sold" and the words "by a wholesaler".

3. Section 40 (a) is amended as follows:

a. Substitute the words "Chuck arm pot roast" for the words "Chuck arm pot roast (boneless)"; and

b. Substitute the words "Chuck or shoulder (boneless)" for the words "Chuck or shoulder".

4. Section 42 (k) is amended as follows: Substitute the word "Flank" for the word "Plank."

5. The last two lines of section 50 (h) are amended to read as follows: "the cut, the net weight of the meat contained in the package and, except for ground beef, the grade of beef."

6. Appendix 5 (c) (4) is amended by inserting immediately after the sentence ending with the words "rolled and tied", the following sentence: "The tenderloin means the tenderloin muscle meeting the specifications and requirements as set forth in Ceiling Price Regulation 24."

7. Appendix 5 (c) is amended by omitting therefrom the entire paragraph numbered (5).

8. Appendix 5 (g) (2) is amended as follows:

a. Substitute the words "Brisket (boneless) fresh or cured, deckle on" for the words "Brisket (boneless" fresh or cured"; and

b. Substitute the words "Boneless brisket, fresh or cured, deckle on," for the words "Boneless brisket, fresh or cured,".

9. Appendix 5 (g) is amended by inserting immediately preceding Appendix 5 (h) the following paragraph:

(3) *Brisket (boneless), fresh or cured, deckle off.* Boneless brisket, fresh or cured, deckle off, means that part of the brisket remaining after all the bones, intercostal meat and deckle have been removed. The deckle shall be removed at the natural seam leaving the thick layer of fat attached to the deckle and exposing the lean meat surface lying directly below. This lean surface shall be free of all fat except minute flakes of fat that adhere closely to the lean after the deckle has been removed. The hard fat along the sternum edge (the area on the bone side of the brisket which is adjacent to and directly under the sternum bone) of the boneless brisket shall be trimmed level with the boned surface of the brisket and to within ½ inch of the lean lying between this hard fat and the border of skin surface fat. All ragged pieces of meat from both bone and skin side of the boneless (deckle off) brisket and all fat in excess of one inch of the outside skin surface, including the breast curve, shall be removed. The web muscle (full lip) shall be left attached with the thin tissue edge, trimmed to expose the narrow portion of lean meat.

10. Appendix 8 is amended by omitting the paragraphs lettered (c) and (h) and by relettering paragraphs lettered (d) through (g), inclusive, and (i) through (s), inclusive, as follows:

a. The paragraphs lettered (d), (e), (f) and (g), respectively, shall be relettered as paragraphs (c), (d), (e) and (f), respectively; and

b. The paragraphs lettered (i), (j), (k), (l), (m), (n), (o), (p), (q), (r) and (s), respectively, shall be relettered as paragraphs (g), (h), (i), (j), (k), (l), (m), (n), (o), (p) and (q), respectively.

11. Section 42 (j) is amended by substituting the numbers ".68" for the numbers ".58" in the line beginning "IV. Ground beef" in the column headed "*Com'l.*"

12. Section 5 (c) (3) is amended as follows: Insert the word "special" before the word "ground" in Rules 1, 2, 3, and 4.

13. a. Section 41 (a) is amended as follows:

1. Add to the top half of the table, below the line commencing with the word "Udders", a new line stating: "under the first column, 'Tongues'; under columns 1 and 2, '.56'; under columns 3, 4 and 5, '.55'; under columns 6 and 6A, '.54'; and under columns 7 and 8 '.55';"

2. Add to the bottom half of the table, below the line commencing with the word "Udders", a new line stating: "under the first column, 'Tongues'; under column 9, '.54'; under columns 10, 11, and 12, '.55'; under columns 13N, 13S, 14N and 14S, '.56'; and under column 15, '.57'."

3. Change the line commencing with the word "Tails" in the top half of the table as follows: "under column 1, substitute the numbers '.39' for the numbers '.40'; under columns 3 and 4, substitute the numbers '.38' for the numbers '.39'; and under columns 7 and 8, substitute the numbers '.38' for the numbers '.39'; and"

4. Change the line commencing with the word "Tails" in the bottom half of the table as follows: "under columns 9 and 10, substitute the numbers '.37' for the numbers '.38'; under column 12, substitute the numbers '.38' for the numbers '.39'; under columns 13S, 14N and 14S, substitute the numbers '.39' for the numbers '.40'; and under column 15, substitute the numbers '.40' for the numbers '.41'."

b. Section 41 (a) (1) is amended as follows:

1. Add to the table, below the line commencing with the word "Udders", a new line stating: "under the first column, 'Tongues'; under columns 1, 2 and 3, '.54'; under columns 4 and 5, '.53'; under columns 6 and 6A, '.52'; under columns 7, 8, 9, 10, 11 and 12, '.53'; under columns 13N, 13S, 14N and 14S, '.54'; and under column 15, '.55'; and"

2. Change the line commencing with the words "Tails" as follows: "under column 1 substitute the numbers '.38' for the numbers '.39'; under columns 2 and 3, substitute the numbers '.37' for the numbers '.38'; under columns 12, 13N and 13S, substitute the numbers '.37' for the numbers '.38'; under columns 14N and 14S, substitute the numbers '.38' for the numbers '.39'; and under column 15, substitute the numbers '.38' for the numbers '.40'."

c. Section 41 (a) (2) is amended as follows:

1. Add to the table, below the line commencing with the word "Udders", a new line stating: "under the first column, 'Tongues'; under columns 1 and 2, '.52'; under columns 3, 4 and 5, '.51'; under columns 6 and 6A, '.50'; under columns 7, 8, 9, 10, 11 and 12, '.51'; under columns 13N, 13S, 14N and 14S, '.52'; and under column 15, '.53'; and"

2. Change the line commencing with the word "Tails" as follows: "under column 1, substitute the numbers '.36' for the numbers '.38'; under columns 2 and 3, substitute the numbers '.36' for the numbers '.37'; under columns 4 and 5, substitute the numbers '.35' for the numbers '.36'; under columns 7 and 8, substitute the numbers '.35' for the numbers '.36'; under column 11, substitute the numbers '.35' for the numbers '.36'; under columns 12, 13N, 13S, 14N and 14S, substitute the numbers '.36' for the numbers '.37'; and under column 15, substitute the numbers '.37' for the numbers '.39'."

d. Section 42 (r) is amended as follows:

1. Add to the top half of the table, below the line commencing with the word "Tails," a new line stating: "under the first column, 'Tongues'; under column 1, '.46'; under columns 2, 3, 4 and 5, '.45'; under columns 6 and 6A, '.44'; and under columns 7 and 8, '.45';"

2. Add to the bottom half of the table, below the line commencing with the word "Tails", a new line stating: "under the first column, 'Tongues'; under columns 9 and 10, '.44'; under columns 11, 12 and 13N, '.45'; under columns 13S, 14N and 14S, '.46'; and under column 15, '.47';"

3. Change the line commencing with the word "Tails" in the top half of the table as follows: "under columns 1 and 2, substitute the numbers '.32' for the numbers '.38'; under columns 3, 4 and 5, substitute the numbers '.31' for the numbers '.37'; under columns 6 and 6A, substitute the numbers '.30' for the numbers '.36'; and under columns 7 and 8, substitute the numbers '.31' for the numbers '.37'; and"

4. Change the line commencing with the word "Tails" in the bottom half of the table as follows: "under columns 9 and 10, substitute the numbers '.30' for the numbers '.36'; under column 11, substitute the numbers '.31' for the numbers '.37'; under column 12, substitute the numbers '.31' for the numbers '.38'; under columns 13N, 13S, 14N and 14S, substitute the numbers '.32' for the numbers '.38'; and under column 15, substitute the numbers '.33' for the numbers '.39'."

14. The ceiling price lists provided in section 40, are amended as follows:

(a) There shall be subtracted the following respective amounts from the respective ceiling prices provided in Section 40 for the following cuts and grades for the following store groups in all zones:

Cut	Group 1 and 2 stores				Group 3 and 4 stores				Group 3B and 4B stores			
	Choice	Good	Com'l.	Utility	Choice	Good	Com'l.	Utility	Choice	Good	Com'l.	Utility
Chuck arm (bone in) steak	$0.12	$0.12	$0.12	$0.12	$0.12	$0.12	$0.12	$0.12	$0.11	$0.11	$0.11	$0.12
Chuck arm pot roast	.12	.12	.12	.12	.12	.12	.12	.12	.11	.11	.11	.12
English cut	.13	.13	.12	.11	.12	.12	.12	.11	.12	.12	.11	.10
Rump (bone in)	.06	.06	.06	.05	.06	.06	.05	.05	.05	.05	.05	.05

For example, if you are a Group 3 store in Zone 14N, Section 40 provides that your ceiling price for rump (bone in) of Choice grade shall be $0.85. This amendment provides that $0.06 shall be subtracted from the ceiling price. Accordingly, your ceiling price for rump (bone in) of choice grade becomes $0.79.

(b) There shall be added the following respective amounts to the respective ceiling prices provided in Section 40 for the following cuts and grades for the following store groups in all zones:

Cut	Group 1 and 2 stores				Group 3 and 4 stores				Group 3B and 4B stores			
	Choice	Good	Com'l.	Utility	Choice	Good	Com'l.	Utility	Choice	Good	Com'l.	Utility
Chuck blade (bone in) steak	$0.01	$0.01	$0.01	$0.01	$0.01	$0.01	$0.01	$0.01	$0.01	$0.01	$0.01	$0.01
Chuck blade pot roast	.01	.01	.01	.01	.01	.01	.01	.01	.01	.01	.01	.01
Short loin beef (whole)	------	.01	.05	.08	------	.01	.05	.08	------	.01	.05	.08
Rib beef (whole)	.12	.12	.12	.12	.12	.12	.12	.12	.12	.12	.12	.12

15. The ceiling price lists provided in section 42 (a) through 42 (q), inclusive, are amended as follows:

(a) There shall be subtracted the following respective amounts from the respective ceiling prices provided in Section 42 (a) through 42 (q), inclusive, for the following cuts and grades in all zones:

Cut	Choice	Good	Com'l.	Utility
Chuck arm (bone in) steak	$0.12	$0.12	$0.12	$0.12
Chuck arm pot roast	.12	.12	.12	.12
English cut	.12	.12	.11	.10
Rump (bone in)	.05	.05	.05	.05

(b) There shall be added the following respective amounts to the respective ceiling prices provided in Section 42 (a) through 42 (q), inclusive, for the following cuts and grades in all zones:

Cut	Choice	Good	Com'l.	Utility
Chuck blade (bone in) steak	$0.01	$0.01	$0.01	$0.01
Chuck blade pot roast	.01	.01	.01	.01
Short loin beef (whole)	------	.01	.05	.08
Rib beef (whole)	.12	.12	.12	.12

16. Section 14 (b) is amended by deleting the words "sections 53, 55 or 58" and substituting therefor the words "Appendixes 3, 5 or 8."

(Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1951, 3 CFR, 1950 Supp.)

Effective date. This amendment shall become effective on May 14, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5626; Filed, May 11, 1951; 12:03 p. m.]

[Ceiling Price Regulation 26, Amendment 1]

CPR 26—CEILING PRICES OF KOSHER BEEF ITEMS SOLD AT RETAIL

CHANGE IN EFFECTIVE DATE

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), Economic Stabilization Agency General Order No. 2 (16 F. R. 738), Delegation of Authority by the Secretary of Agriculture to the Economic Stabilization Agency with Respect to the Allocation of Meat, January 26, 1951, 16 F. R. 1272, and Economic Stabilization Agency General Order No. 5, February 8, 1951, (16 F. R. 1273), this Amendment 1 to Ceiling Price Regulation 26 is hereby issued.

STATEMENT OF CONSIDERATIONS

Pending recalculation of the ceiling prices provided for kosher beef items and the issuance of a revised Ceiling Price Regulation 26 in the near future, the mandatory effective date of that regulation is deferred for a period of one week. In the interim, kosher retailers may, if they desire, adopt all of the provisions of that regulation.

AMENDATORY PROVISIONS

Ceiling Price Regulation 26 is amended as follows:

1. The "*Effective date*" paragraph appearing immediately after section 40 is deleted and the following paragraph is substituted therefor:

Effective date. This regulation shall become effective on May 21, 1951. You may, however, adopt all of the provisions of this regulation at any time before the effective date.

2. Sections 30, 31 and 32 are amended by substituting the phrase "effective May 21, 1951" for the phrase "effective May 14, 1951" wherever that phrase appears therein.

(Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.)

Effective date. This amendment shall become effective on May 14, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5624; Filed, May 11, 1951; 12:03 p. m.]

[Ceiling Price Regulation 34]

CPR 34—SERVICES

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738) this Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

The inflationary pressures incident to the Korean situation and the stepped up rearmament program brought on price increases throughout the economy during the latter part of 1950, which necessitated prompt action in direct price controls. Accordingly, on January 26, 1951, the Office of Price Stabilization issued the General Ceiling Price Regulation. This regulation, with certain exceptions, fixed the ceiling prices of all commodities and all services at the highest price charged by the seller during the base period, December 19, 1950, to January 25, 1951, inclusive. At the time of the issuance of the General Ceiling Price Regulation, it was understood that it did not adequately meet the specific needs of numerous suppliers of services and that it was to be replaced with respect to that field as soon as practicable. A new regulation, Ceiling Price Regulation No. 34 Services is issued separately covering the field of services, and, to the extent of its applicability, supersedes the General Ceiling Price Regulation in the services field. In the main, the fundamental provisions of the General Ceiling Price Regulation, including the base period of December 19, 1950, to January 25, 1951, for the determination of ceiling prices, have been retained in this new regulation. The considerations which support the General Ceiling Price Regulation are equally applicable to this Ceiling Price Regulation No. 34.

Services rendered in trade, commerce and industry, services integrated with such services as well as personal services, all vitally affect the national economy. The administrative problems involved in regulating the ceiling prices to be charged for such services are so much different from those involved in regulating the ceiling prices for commodities, that it has been determined to issue a separate ceiling price regulation for such services. The new regulation removes from the coverage of the General Ceiling Price Regulation all services (except transportation services of contract carriers and certain industrial services in connection with the jobbing shop operations in metals and metal products and the plating of plastics or other nonmetallic materials, except the repair and maintenance of automotive and farm equipment) and brings under the single Services Regulation all such services subject to price control with the exception of defense services exempted by Supplementary Regulation 1 to the General Ceiling Price Regulation, services exempted by Supplementary Regulation 15 to the General Ceiling Price Regulation, and those services which now or hereafter may be covered in other specific price regulations.

Many service functions rendered for the same general use and purpose vary with the specific task. This is particularly true in the repair trades. While certain of these trades permit a standardization of price because of the normal pattern of the requirements of the purchaser, other types of repair trades, because of the varying nature of the repair demands of the purchaser, do not permit a pre-determined price. The new regulation provides a method for determination of prices based upon the highest price charged in the base period for the same service. This provision permits the supplier of a service to determine his price in accordance with his own pricing method, but limits the elements which enter into the determination of the prices to their highest base period level. Under the regulation the highest price charged by the seller during the base period for any service customarily rendered but not in fact supplied during the base period is deemed to be that price which would have been charged upon a rate or pricing method regularly used for determining the price for such service during the

base period, December 19, 1950, to January 25, 1951, inclusive.

Many services are seasonal in nature or subject to seasonal variation in price. In some cases the services are not performed during the base period. In other cases a seasonal variation in price occurs and it would be manifestly unfair to restrict the supplier of the service to his base period price. A provision has been added to the new regulation which provides for the determination of ceiling prices for seasonal services or services subject to seasonal variation in price. The provision limits the seller to the highest price charged in the last corresponding season, but permits an increase based upon the rise in the cost of living from that season.

The adjustment provisions of this regulation, with limitations, permit the filing of an application for adjustment by a seller of a service or services where substantial financial hardship exists. Service establishments are in the main small business establishments without substantial reserves of capital. Labor is the most important factor of cost and either direct labor wage increases or deterioration of labor supply can create financial hardship threatening the continuance of the establishment's existence.

In like fashion, the regulation is tailored to meet the various problems of pricing which arise in the services field that are foreign to the commodities field. The regulation is further designed by introduction of filing provisions to permit more effective enforcement in the services field and to provide a source for price data for the development of individual supplementary service regulations in particular service trades.

The foregoing modifications do not change in any way the fundamental economic policy which is effectuated by the General Ceiling Price Regulation. The base period of December 19, 1950, to January 25, 1951, as the appropriate date for the determination of ceiling prices, is maintained throughout this regulation. Within the general framework of the General Ceiling Price Regulation, however, flexibility is achieved which adapts that framework to the individual characteristics of the services field.

While the innumerable and diverse services cutting across a complex of different industries and trades has rendered impracticable the establishing of, and consultation with, formal service committees during the preparation of this regulation, nevertheless, the Director of Price Stabilization, wherever feasible, has consulted with numerous representatives from various services fields and given consideration to their recommendations. In the judgment of the Director of Price Stabilization, the provisions of this regulation are generally fair and equitable and are necessary to effectuate the purpose of Title IV of the Defense Production Act of 1950.

So far as practicable, the Director of Price Stabilization has given consideration to the National effort to achieve maximum production in furtherance of the objectives of the Defense Production Act of 1950, including prices prevailing during the period from May 24, 1950, to June 24, 1950, and to relevant factors of general applicability.

REGULATORY PROVISIONS

Sec.
1. What this regulation does.
2. Services covered.
3. Prohibitions.
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7. Services which cannot be priced under section 5 or 6 of this regulation.
8. Pricing of seasonal services.
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27. Definitions and explanations.

AUTHORITY: Sections 1 to 27 issued under Sec. 704, Pub. L. 774, 81st Cong. Interpret or apply Title IV, Pub. L. 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 C. F. R. 1950 Supp.

SECTION 1. *What this regulation does.* This regulation removes most services from the coverage of the General Ceiling Price Regulation (GCPR) and brings them under this regulation. This regulation in general establishes the ceiling price of most services at the levels prevailing in the period December 19, 1950, to January 25, 1951, inclusive.

SEC. 2. *Services covered.* This regulation covers all services except:

(a) Services exempted in the GCPR, as amended;

(b) Defense services exempted by Supplementary Regulation 1 to the GCPR, as amended;

(c) Services exempted by Supplementary Regulation 15 to the GCPR, as amended;

(d) Services covered by any specific price regulation now or hereafter issued by the OPS;

(e) The following services, which remain under the GCPR:

(1) Transportation services of contract carriers;

(2) The following industrial services (except services rendered in connection with the repair or maintenance of automotive or farm equipment) when performed on material or products owned by another:

(i) All jobbing shop operations customarily performed in the fabrication, conversion, repair or maintenance of metals or metal products. These operations include abrading, adjusting, assembling, cutting, forming, grinding, machining, shaping and welding or otherwise joining.

(ii) All jobbing shop operations customarily performed in the treatment, coating, or finishing of metals or metal products. These operations include annealing, anodizing, bonderizing, blasting, carbonizing, carburizing, case-hardening, cleaning, coronizing, deoxidizing, enameling, galvanizing, heat treating, heresiting, japannizing, laquering, lead coating, metallizing, nitriding, normalizing, painting, pickling, phosphate coating, plating, polishing, sheradizing, shot peening, tempering and tinning.

(iii) Plating on plastics and other nonmetallic materials.

SEC. 3. *Prohibitions.* (a) On and after May 16, 1951, regardless of any contract or other obligation:

(1) You may not sell any service covered by this regulation at a price higher than your ceiling price.

(2) No person in the course of trade or business may buy any service covered by this regulation at a price higher than the ceiling price.

Of course, you may charge lower prices than your ceiling prices at any time.

(b) Once you have reported your ceiling price or a proposed ceiling price for a service as required by this regulation, you may not thereafter redetermine it. A purely arithmetical error may, however, be corrected, but the correction must be reported to the Director of Price Stabilization, Washington 25, D. C.

SEC. 4. *Prices previously established.* (a) This regulation supersedes the GCPR insofar as the GCPR dealt with services now covered by this regulation.

(b) Since this regulation keeps certain of the basic pricing provisions of the GCPR, many of your ceiling prices under this regulation will be the same as those you properly established under the GCPR.

(c) In addition all prices established under section 6 or section 7 of the GCPR remain in effect under this regulation.

SEC. 5. *General pricing provisions.* (a) In determining your ceiling price (which you must report in the manner provided by section 18 of this regulation), use the first of the following provisions which applies to you. Your ceiling price shall be:

(1) The highest price at which you supplied the same service during the "base period" (December 19, 1950, to January 25, 1951, inclusive) to a purchaser of the same class. (Be sure to read the definition of "purchaser of the same class" in section 27 (a) (11) of this regulation.) If, however, in the base period you did not have a flat price for the service but did have a rate or a pricing method to determine your price, you may continue to use your highest base period rate or pricing method to determine your ceiling price for the same service, to a purchaser of the same class.

(2) If you did not actually deliver the service in the base period, then the highest price at which you offered in writing to supply the same service for delivery in the base period to a purchaser of the same class. If, however, in the base period you did not offer in writing to supply that service to that class of purchaser upon the basis of a flat price but did have a rate or pricing method upon the basis of which you could have supplied that service to that class of purchaser, then the price resulting from the application of your highest base period rate or pricing method which would, by your usual trade practice, have been used by you had you supplied the service in the base period.

(3) The ceiling price of your closest competitor for the same service to a purchaser of the same class, if you did not actually supply it or offer it for supply in the base period to any purchaser. However, you may not take your closest competitor's ceiling price if

such price is based on his offering price. The term "ceiling price" as used in this paragraph and in sections 6 and 7 of this regulation also includes a ceiling rate or pricing method. If you are a new seller first making sales after the effective date of this regulation, or a seller of a new service first sold by you after the effective date of this regulation, you will comply with section 6 of this regulation.

(b) In the use of a rate or a pricing method you may not charge more for each factor of the rate or pricing method than the highest price you charged for such factor in the base period. For example, you operate an automobile repair shop and you do not have a fixed flat price for body repair work but make a labor charge of $3 per hour plus the price of any parts supplied. You may not now charge more than $3 per hour for your labor charge even though you are paying your mechanics more than you paid them in the base period. Furthermore, you may not now charge more than the highest price you charged for the parts in the base period unless a commodity regulation establishes a new ceiling price for such parts in which case you may charge for such parts the ceiling price so established.

SEC. 6. *Pricing for new services and sellers.* (a) If you are a new seller or are selling a new service which cannot be priced under section 5 of this regulation, your selling price is the same as the ceiling price of your closest competitor for the same service to a purchaser of the same class.

(b) Within 10 days after determining the ceiling price under this section you must report the price in writing to the appropriate OPS district office explaining how the price was computed. You must also comply with the applicable provisions of section 18 of this regulation.

SEC. 7. *Services which cannot be priced under section 5 or 6 of this regulation.* (a) If you cannot determine a ceiling price under section 5 or section 6 of this regulation, you must file an application with the Director of Price Stabilization, Washington 25, D. C., for approval of a ceiling price in line with the level of ceiling prices otherwise established by this regulation, and in the case of a commodity rental or a manufacturing or processing service, a ceiling price consistent with the level of ceiling prices established for the sale of the commodity by the applicable ceiling price regulation. The application shall contain a description of the service, anticipated direct labor and materal costs, and the proposed ceiling price. It shall also contain a full explanation of the reasons why you cannot price this service under section 5 or 6 of this regulation. If you supplied any other service in the base period, submit, in addition, a description of the most comparable service showing your present direct labor and material costs for it and your present ceiling price.

(b) You may not sell the service for which a ceiling price is requested under this section until that price has been approved by OPS, but the proposed price shall be considered approved 20 days after mailing the application (or all additional information which may have been requested), unless, within that time, OPS notifies you that your proposed price has been disapproved. You must also furnish any additional information which OPS may require and comply with the provisions of section 18 of this regulation.

SEC. 8. *Pricing of seasonal services—* (a) *Services supplied in the base period but subject to seasonal variations in price.* If you have had a regularly established seasonal variation in price and delivered the service in the base period, your ceiling price for your other seasonal periods shall reflect your customary dollar differential between that season and the base period.

(b) *Seasonal services not supplied in the base period.* If the service was not supplied in the base period either by you, or by a competitor in the same general trading area serving the same kind of purchaser, and if you supplied the service regularly during one or more seasons of the period January 26, 1950, to December 18, 1950, inclusive, your ceiling price shall be the price you charged in the last season prior to the base period: *Provided, nevertheless,* That if you are one of the sellers referred to in paragraph (c) of this section you may add to that price the increase permitted in such paragraph (c). If you customarily maintain other seasonal variations in price you shall reflect your customary dollar differential in price between those seasons and the last season in which the service was supplied.

(c) You may under paragraph (b) of this section use the following table to compute your percentage increase if you are a seller who on each day of the last season prior to the base period employed not more than seven individuals. If, however, during the last season prior to the base period, you employed eight or more individuals in any one day and you can show in your report to the Director of Price Stabilization that your direct costs have now increased above your costs in the last season prior to the base period, you may under paragraph (b) of this section add no more than these direct costs to that price which you charged in the last season prior to the base period unless these direct costs exceed the table percentage applicable to you, in which case you will then use that table percentage.

(1) The table percentage applicable to you under this paragraph and paragraph (b) of this section shall be as follows for the applicable season:

8 percent Jan. 26, 1950, through April 30, 1950.
7 percent May 1, 1950, through June 30, 1950.
6 percent July 1, 1950, through July 31, 1950.
5 percent Aug. 1, 1950, through Aug. 31, 1950.
4 percent Sept. 1, 1950, through Sept. 30, 1950.
3 percent Oct. 1, 1950, through Nov. 30, 1950.
2 percent Dec. 1, 1950, through Dec. 18, 1950.

In selecting the appropriate percentage increase apply the percentage for the date in which the highest price for the season was first announced by you in writing or, if there was no such announcement, the first date on which the service was sold by you at the highest price in the season.

(d) This section applies only if the season during which the variation in price was in effect regularly consisted of at least 14 consecutive days.

(e) *Reports.* Within 10 days after establishing or determining your ceiling price, or any change therein, under this section, you must report the price in writing to the Director of Price Stabilization, Washington 25, D. C., explaining how the price was computed. You must also comply with the applicable provisions of section 18 of this regulation.

SEC. 9. *Pricing changes.* OPS may at any time disapprove or revise ceiling prices proposed or established under this regulation or under section 7 of GCPR so as to bring them into line with the level of ceiling prices otherwise established by this regulation. You may not redetermine your ceiling price after it has been determined under this regulation unless it is changed by OPS, in which case the changed price shall be your ceiling price.

SEC. 10. *Central pricing.* OPS may when it deems it consistent with the purposes of this regulation establish uniform prices for sellers owning or operating more than one service establishment and may for this purpose require sellers to furnish necessary information.

SEC. 11. *Commodities included in services.* Your ceiling price for a service under this regulation includes any commodity furnished with the service. If your ceiling price includes a separately stated charge for the commodity, your ceiling price for the service shall be increased or decreased, as the case may be, by the difference between your separately stated charge for the commodity under this regulation and the ceiling price fixed by the applicable commodity regulation.

SEC. 12. *Special pricing provisions—* (a) *Application of general pricing increase to long-term contracts, etc.* If in the base period you had in effect an increase in your prices for a service to your classes of purchasers generally, and you actually charged the increased price to the classes of purchasers whom you supplied in the base period, but you did not supply the service at the increased price in the base period to a particular class of purchaser because either:

(1) You did not supply the service to that class of purchaser in the base period after the price increase, or

(2) You supplied the service to that class of purchaser in the base period after the price increase at a lower price because you were bound to do so under a contract made before the price increase, then your ceiling price to that particular class of purchaser shall be:

(i) Your increased offering price to that class of purchaser for supply during the base period, or

(ii) If you had no such increased offering price, then the highest price at which you supplied the service to a purchaser of a different class during the base period adjusted to reflect the customary differential in price between the two classes of purchasers.

If, however, in the base period you announced in writing an increase in your prices for a service to your classes of purchasers generally, but you did not deliver the service at the increased price to any of the purchasers whom you supplied in the base period because you were bound under contracts made before the

announcement in writing of that price increase, and you did enter into new contracts for future delivery of the service at the increased price prior to December 19, 1950, then at the expiration of each old contract you may institute the announced price increase, adjusted to reflect the customary differential in prices among your classes of purchasers.

(b) *Percentage commissions on commodity sales or purchases.* If you are a commission seller, buyer, broker, or auctioneer, and in the base period you used a percentage rate to determine your commission in connection with the sale or purchase of a commodity, you may now apply your highest base period percentage rate to the current authorized price of a commodity under the applicable commodity ceiling price regulation, or to your sale or purchase price of the commodity if it is lower, to determine your commission for the purchase or sale of the same commodity to a purchaser of the same class.

(c) *Individual negotiated prices.* If you customarily made a practice of charging different purchasers different prices without regard to standards, such as quantity purchased and nature of business (wholesaler, retailer, etc.) each such customer is a separate class of purchaser.

(d) *New purchasers.* Your price to a new purchaser is your established ceiling price to the class in which the new purchaser falls. However, if you followed the practice of maintaining individually negotiated prices, the ceiling price to a new purchaser is the arithmetic average of your base period ceiling prices to purchasers of the same class for the same service. But if within one month prior or one month subsequent to the acceptance of a new purchaser you discontinue supplying an old purchaser to whom you sold during the base period at a price below your average price to purchasers of the same class, your ceiling price to the new purchaser shall be the same as the ceiling price you charged the purchaser you discontinued.

(e) *Refusing to supply lower priced services.* (1) A seller may discontinue selling his services. If, however, he discontinues a service that he offered in the base period or since, and sells or offers to sell in its place a higher priced service which will achieve the same general purposes as the service he discontinues, he is evading the Defense Production Act of 1950, and is violating this regulation, unless it appears that one or more of the following conditions exists:

(i) That specialized equipment or supplies requisite to a continuance of the particular service are not available; or

(ii) That the continuance of the particular service would be in violation of or would be rendered impracticable by a governmental order or regulation, or that it would be contrary to governmentally established standards or policies; or

(iii) That discontinuance of the particular service will enable the seller to maintain other services more necessary to the community directly concerned; or

(iv) That other suppliers in the community are able and willing to supply the requested service or a similar service in requisite amount and at prices not exceeding the ceiling price of the particular seller.

(2) A seller refusing to supply a service must, unless otherwise permitted to do so by a general permissive order, certify by registered mail, for which a return receipt has been requested, to the Director of Price Stabilization, Washington 25, D. C., the existence of one or more of the conditions stated in this paragraph. Unless sufficient facts are given to support the certification, the request will be denied, without prejudice to an opportunity to the seller to furnish additional evidence.

(3) Effective date on which a service may be discontinued under this paragraph: Unless the Director of Price Stabilization or his authorized representative shall, by notice mailed to the seller within thirty days from the date of the receipt of the certified statement, disapprove the request, the seller may discontinue the service.

(4) Definition: As used in this paragraph, the term "service" means one of the types, forms, grades, or quantities offered for sale in the base period, or since, the description of which is required in your statement under section 18 of this regulation.

(f) *Cost plus contracts.* (1) If you customarily supplied service to a class of purchaser by the use of a cost plus contract, you may continue to use such a contract, limited to your highest base period fee or percentage, but in figuring your costs you must limit each element of cost to the highest rate or charge you made to the same class of purchaser in the base period.

(2) Within 10 days after determining the ceiling price under this section you must report the price in writing to the Director of Price Stabilization, Washington 25, D. C., explaining how the price was computed and stating your base period charges and method of computation for the supplying of the same service to a purchaser of the same class.

(g) *Flat rate manuals or catalogues.* If during the base period you used a flat rate manual to determine your price, you must use the same manual now, and you may not increase the hourly rate you charged in the base period. If you used a catalogue to determine your prices for parts in the base period you may continue to do so now. However, if a specific ceiling price is set by OPS for any item in the catalogue, you may not charge more than such specific ceiling price. You may not use a new edition of such flat rate manual or catalogue unless its use has been approved by the Director of Price Stabilization, Washington 25, D. C.

SEC. 13. *Transfer of business; moving of business; chains*—(a) *Transfer.* If you acquire a previously established business after May 16, 1951, and you carry on such business in an establishment separate from an establishment previously owned or operated by you, your ceiling prices shall be the same as those to which your transferor would have been subject if no such transfer had taken place, and your obligation to keep records sufficient to verify such prices shall be the same. You must further prepare and preserve (if your transferor has not already done so) and keep up to date the statement required under section 18 of this regulation. Your transferor shall preserve and turn over to you all records of transactions prior to the transfer which are necessary to enable you to comply with the records provisions of this regulation.

(b) *Moving.* If you sell services at retail and move the business out of your trading area after May 16, 1951, you must apply to OPS for establishment of your ceiling prices for that unit under section 7 of this regulation except that if you close a selling unit and open another one in the same trading area, your ceiling prices for the new unit shall be the same as those of the unit you closed.

SEC. 14. *Taxes.* If a tax is imposed on a service covered by this regulation and the tax law does not forbid you to pass the tax on to your customers, you may add the tax to your ceiling price in accordance with the following provisions: If the tax becomes effective after January 25, 1951, you may add the tax to your ceiling price if you separately state it. If the tax was in effect in the base period and you were not then supplying the service, you may add the tax to your ceiling price as established under this regulation if such price does not already reflect the tax, if you separately state it. If the tax was in effect in the base period and you were then supplying the service and passing on the tax, you may continue to do so; if you separately stated the tax then, you must do so now. If in the base period you did not pass the tax on to your customers, you may not do so now. ("Tax" as used in this section also includes a tax increase.)

SEC. 15. *Additional charges.* You may not make a higher charge for expediting, packaging, or other incidents of a service than you made in the base period to a purchaser of the same class, nor may you now make any charge for any incident of a service if it was not your practice to do so in the base period, unless you are authorized to do so by the Director of Price Stabilization, Washington 25, D. C. You may not require a purchaser to pay a larger proportion of transportation costs incurred in the supply of any service than you required a purchaser of the same class to pay during the base period for the same service. Unless authorized by the Director of Price Stabilization, Washington 25, D. C., you may not require a deposit for any reason or make an extra charge for insurance, if you did not do so in the base period, nor may you now increase any such deposit or insurance charge made in the base period.

SEC. 16. *Customary price differentials.* Your ceiling prices, when determined, shall reflect your customary price differentials, including discounts, allowances, premiums and extras, based upon differences in classes or location of purchasers, or in terms and conditions of sale or delivery.

SEC. 17. *Sales slips; receipts.* If you have customarily given a purchaser a sales slip or receipt, you must continue to do so. Upon request by a purchaser, you must regardless of your previous custom, give the purchaser a sales slip or receipt. Such sales slip or receipt must show your name and address, the date, the description and quantity of each service sold, the price charged for each such service, and the price charged for any parts or commodities furnished with the service.

SEC. 18. *Records; filings of statements; posting.* You must comply with the fol-

lowing provisions for keeping price records and for filing statements of your ceiling prices:

(a) *Records.* Preserve for examination by OPS all records regarding your prices, rates, or pricing methods for services supplied or offered for supply during the base period (or such other period as is specified as your base period) and thereafter.

(b) *Filings of statements.* (1) Prepare and keep for examination by any person during ordinary business hours, a statement of your ceiling prices, rates, or pricing methods for purchasers of each class together with an adequate description of each such service.

(i) If you have in any case taken the ceiling price of your closest competitor for any service as your ceiling price, indicate on the statement in every such case the service, the ceiling price, and your closest competitor's name and address.

(ii) If your ceiling prices are based upon a flat rate manual or similar pricing manual or parts catalogue or list, you may (instead of appending it to the statement) clearly identify on the statement such manual, parts catalogue, or list by name, edition number, and date, indicating the instances in which it was not your practice in the base period to follow it.

(2) File a duplicate of your statement with the appropriate OPS district office. You may request, if you wish, that the part of your statement insofar as it applies to non-retail services which you sell be treated as confidential and not subject to public disclosure. Such part of your statement as shall be so treated will then be withheld from public inspection unless the withholding of the information it contains would be contrary to the purposes of this regulation. You may also withhold from public inspection such part of your statement, insofar as it applies to non-retail services which you sell.

(3) You must prepare and file such duplicate statement within 30 days of the date that your ceiling price for a service is first established by this regulation. If you have previously prepared and preserved a statement of your ceiling prices under the GCPR and its amendments, and your ceiling prices have not changed under this regulation, you must prepare and file such duplicate copy of such statement under this regulation.

(c) *Supplements.* You must also prepare and keep available appropriate supplements of your statements, and you must file a duplicate copy of each such supplement with the appropriate OPS district office, within 10 days after you have delivered any new service or after any change in your selling price is authorized by OPS.

(d) *Signature.* These statements and all supplements thereto must be signed by you or your authorized agent.

(e) *Exception.* If you can show that the requirements of this section subject you to unusual hardship, you may apply to the Director of Price Stabilization, Washington 25, D. C., for written authorization to depart from these requirements. Such authorization will be given only if it will not be inconsistent with the purposes of this regulation.

(f) *Posting.* (1) OPS may require you to post your ceiling prices for any service which you sell at retail whenever it is deemed necessary to the effective enforcement of this regulation.

(2) If, however, you operate a service establishment making sales at retail, you must, not later than 30 days after the date that your ceiling price for a service is first established by this regulation, post your ceiling prices in a prominent or clearly visible position in your establishment.

SEC. 19. *Violation*—(a) *Civil and criminal action.* If you violate any provisions of this regulation you are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided by the Defense Production Act of 1950.

(b) *Record-keeping and filing violations; failure to establish ceiling price.* (1) If you fail to keep the records or statements as required by section 18 of this regulation, or if such records or statements or supplements are incorrect or incomplete, or if you fail to apply to OPS for the establishment of a ceiling price under section 7 of this regulation, if you are required to do so, OPS may issue an order establishing a ceiling price for each service you sell in line with prices established by this regulation. Such order may establish the ceiling price as of the date of the first sale of the service under this regulation. Such order may also require you to give sales slips or receipts to your customers as specified in the order, to retain copies thereof in your files, and to prepare and keep such records as may be specified in the order. These requirements will not, however, relieve you of your obligation to comply with the requirements of sections 18 and 7 of this regulation, or of the various penalties for failure to do so.

(2) The term "ceiling price" as used in this paragraph and in section 18 of this regulation also includes a ceiling rate or pricing method.

SEC. 20. *Adjustments*—(a) *General adjustments.* OPS may adjust any ceiling price established under this regulation upon a demonstration of substantial financial hardship threatening your ability to continue to supply a service, subject to the following limitations:

(1) No adjustment will increase your ceiling price above the levels necessary to permit you to continue the sale of your services;

(2) No adjustment will be made if it will create or tend to create a need for increases in the prices of other sellers in your locality or elsewhere.

In judging whether a ceiling price subjects you to substantial financial hardship, OPS will take into account such pertinent factors as the nature of your business, its earnings, and the earnings of your trade as a whole during a representative period. A price increase may be denied in whole or in part, however, if your hardship is attributable to such causes as a decline in sales volume because of reduced demand, general manpower shortage, shortage of essential supplies, or other difficulties apart from your ceiling price. Even though a particular service or type of service is not profitable, an adjustment may be denied in whole or in part if in the judgment of OPS, such action is justified in view of the profitability of your business as a whole.

(b) *Adjustment by buyer-seller agreement.* In order to permit the continuance of a limited supply of an essential non-retail service, you may, if the buyer agrees to absorb a price increase above your ceiling price for that service, apply to the Director of Price Stabilization, Washington 25, D. C., for permission to increase the price of that service to him by an amount not to exceed direct labor and material cost increases incurred by you since your ceiling price for that service was established. Twenty days after filing under this paragraph for a price increase or supplying such additional information as OPS may request, you may charge your increased price unless you are advised by OPS that your application has been denied. The Director of Price Stabilization or any official of OPS having authority to act may at any time deny the application for the price increase in any case where it appears to be inconsistent with the purposes of the Defense Production Act of 1950.

SEC. 21. *Adjustable pricing.* Any person may agree to sell at a price which can be increased up to the ceiling price in effect at the time of delivery; but no person may, unless authorized by OPS, deliver or agree to deliver at prices to be adjusted upward in accordance with action taken by OPS after delivery. Such authorization may be given when a request for a change in the applicable ceiling price is pending, but only if the authorization is necessary to promote distribution or production and if it will not interfere with the purposes of the Defense Production Act of 1950. The authorization may be given by the Director of Price Stabilization or by any official of OPS having authority to act upon the pending request for a change in price or to give the authorization. The authorization will be given by order, except that it may be given by letter or telegram when the contemplated revision will be the granting of an individual application for adjustment.

SEC. 22. *Petitions for amendment.* If you seek a change in any provision of this regulation affecting sellers of a service generally, you may file a petition for amendment.

SEC. 23. *Procedures.* Petitions for amendment and applications for adjustment shall be filed in accordance with Price Procedural Regulation No. 1 except that such petitions and applications shall be filed with the Director of Price Stabilization, Washington 25, D. C.

SEC. 24. *Amendments; supplementary regulations; orders.* This regulation may be changed or supplemented at any time by amendments, supplementary regulations, orders, or other appropriate action.

SEC. 25. *Evasion.* (a) This regulation shall not be evaded directly or indirectly.

(b) Any act or practice which results directly or indirectly in obtaining a higher price than is permitted by this regulation is a violation of this regulation. Such practices include, but are not limited to, devices making use of commissions, cross-sales, transportation arrangements, premiums, discounts or any other price differential, special privileges, tie-in agreements or combination sales which require the purchaser of a service covered by this regulation to buy or agree to buy any other commodity or

service as a condition of receiving the desired service, or trade understandings; deterioration of services; or the practices not justified under section 12 (e) of this regulation.

SEC. 26. *Applicability.* This regulation applies to services supplied in the 48 States of the United States and the District of Columbia.

SEC. 27. *Definitions and explanations.* (a) When used in this regulation:

(1) "Appropriate OPS district office" means the district office of the Office of Price Stabilization for the district where your place of business is located and from which your sales are made.

(2) "Base period" means the period as of which your ceiling prices are fixed under this regulation.

(3) "Closest competitor" means that seller selling the same service under substantially the same conditions who is in close competition with you and is located nearest to you.

(4) "Commodity." This term includes commodities, materials, articles, products, supplies, components, processes and contracts to buy, sell or deliver any of the foregoing.

(5) "GCPR" means the General Ceiling Price Regulation.

(6) "Non-retail sale" means a sale to an industrial, commercial, or governmental user.

(7) "Offered" (as that word is used in connection with price) means the price quoted in your base period price list, or, if you had no price list in the base period, the price which you regularly quoted in any other manner, or the price determined by your base period rate or pricing method. But "offered" (price) does not include a price intended to withhold a service from the market, or a price you offered as a bargaining price if you usually sold at a price lower than your asking price.

(8) "OPS" means the Office of Price Stabilization and, for the purposes of authorizing, establishing, adjusting, revising or disapproving ceiling prices means the Director of Price Stabilization or any official to whom he by order shall delegate the authority therefor.

(9) "Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or the legal successor or representative of any of the foregoing, and the United States and any other government and the political subdivisions and agencies of any of the foregoing.

(10) "Pricing method" is a formula by which you determined a price for a service in the base period which included a rate, and an item for labor, materials, and mark-up for overhead and profit, or any of such items, whether or not the formula was disclosed to the purchaser. Unless the formula included a rate, the figure which resulted from the application of the formula was a flat price (except where the supplying of a service was on a cost-sharing basis). See definition of "rate" in subparagraph (12) of this paragraph.

(11) "Purchaser of the same class" means a purchaser belonging to the same price class, that is, to a group of purchasers to whom it was your established practice in the base period to supply or offer to supply the same service at a particular price. If in the base period you customarily supplied or offered to supply the same service to any purchaser at a price different from the price at which you supplied or offered to supply the same service to other purchasers, that purchaser is in a purchaser price class by himself.

(12) "Rate" is a means of determining a price by multiplying the time involved in supplying a service by a fixed charge per unit of time, or by multiplying the price of the commodity involved by a fixed percentage.

(13) "Records" includes but is not limited to, books of account, sales lists, sales slips, orders, vouchers, contracts, receipts, invoices, bills of lading, and any other papers and documents relating to your prices.

(14) "Rental" means any leasing of a commodity except where the lease is a substitute for a conditional sales contract, chattel mortgage, or other security device in connection with an installment sale, or except where the lease contains a provision giving the lessee an option to buy the leased commodity at a stipulated price from which all or a portion of the payments made as rent are to be deducted.

(15) "Season" means any division of the year into periods of at least 14 consecutive days for pricing purposes, such division being based upon regular and recurrent differences in demand for or supply of the service.

(16) "Sell" or "supply" includes sell, rent, supply, dispose, barter, exchange, transfer, deliver, and contracts and offers to do any of the foregoing. The term "sale", "supply", "selling", "supplying", "sold", "supplied", "seller", "supplier", "buy", "purchase", shall be construed accordingly.

(17) "Service" or "services" means any act or acts performed or rendered, otherwise than as an employee, for a fee, charge or other consideration. The term includes any privilege sold or granted, or any forbearance to act, for a fee, charge or other consideration. The term also includes the rental of any commodity or service if the rental charge is not covered by another ceiling price regulation and has not been exempted from price control.

(18) "You" means a person and refers to any seller or supplier subject to this regulation. If you supply services through more than one place of business, each such place of business shall, for the purposes of this regulation, be considered a separate seller or supplier.

Effective date. This regulation shall become effective May 16, 1951.

NOTE: The record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director,
Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5612; Filed, May 11, 1951; 11:45 a. m.]

[Ceiling Price Regulation 36]

CPR 36—USED STEEL DRUMS AND THE SERVICE OF RECONDITIONING

Pursuant to the Defense Production Act of 1950 (Public Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Ceiling Price Regulation 36 is issued.

STATEMENT OF CONSIDERATIONS

This Ceiling Price Regulation establishes specific ceiling prices for certain used steel drums, raw and reconditioned, and for the services of reconditioning and lining such drums.

The average maximum life of a steel drum is two years, during which period it is used eight to ten times. Ordinarily, after each use a drum requires some reconditioning, the extent of which depends upon the use to which it has been put, its condition, and the use to which it is to be put. This reconditioning may consist of washing, scraping, painting, drying, inspection for leaks, and replacement of gaskets. It may also include such operations as de-denting, sand-blasting, and chaining or tumbling.

The used steel drum industry includes three different levels of sales and service. First, there are so-called emptiers who receive drums in connection with their purchases of products shipped in such containers. Secondly, there are dealers who purchase raw drums from the emptiers and resell them to reconditioners. And, finally, there are reconditioners whose principal operations consist in processing used drums to fit them for use as shipping containers. Reconditioners process drums which they buy, either directly from the emptiers or through dealers, as well as drums which are owned by so-called fillers, i. e. persons who use them as shipping containers for the products which they sell.

Prior to World War II many fillers did not attempt to retrieve the drums in which they shipped their products and buying and selling constituted about 90 percent of the dollar volume of reconditioners while reconditioning for others was only 10 percent of such volume. After the outbreak of World War II and as a result of the ensuing shortage of steel sheets for the manufacture of new drums, fillers to a large extent converted from a system of selling their drums with their products to a deposit system under which they retained title to the drums and required a return by the emptier on penalty of forfeiture of the deposit. Since drums thus returned to fillers were sent to reconditioners for the service of reconditioning, the merchandising of used steel drums by reconditioners decreased, while the business of servicing drums for others increased, until 90 percent of the total dollar volume of the reconditioners was accounted for by the service of reconditioning. After V-J Day many shippers continued the practice of retaining title to their drums and in the five years preceding the outbreak of hostilities in Korea, the operations of the reconditioning industry were about equally divided between merchandising and servicing of drums owned by others. Since the end of June 1950, however, the pattern which was created by the emergency in World War II has been repeated and currently buying and selling comprises less than 10 percent of the reconditioning industry's dollar volume.

There exists today an expanding demand for steel shipping containers. Al-

though 2,800,000 new drums were manufactured in the month of January 1951 (the largest monthly total since the end of World War II), the backlog of unfilled orders amounted to 9,500,000 drums. These figures do not fully reflect the direct and indirect military requirements and it is anticipated that these needs will accentuate the shortage of shipping containers which now exists. Reconditioning of used containers is an important means of alleviating this situation and it has a particular significance from the point of view of the economy as a whole because it makes available for other important uses substantial quantities of steel sheets which would otherwise be required for the manufacture of new containers. Thus each reconditioned drum saves about 60 pounds of steel used in the manufacture of a new drum and it has been estimated that more than 35 million reconditioned drums were sold or serviced in 1950 with a saving of approximately one million tons of steel. If the volume of the reconditioning industry is expanded to 50 million drums, an additional 450,000 tons of steel will be conserved. In view of these considerations, the reconditioning of steel drums is extremely important both for the defense program and the civilian economy and it is imperative that adequate facilities be available to take care of the increased volume of business which will have to be handled.

Historically, the prices for reconditioned drums have been approximately 80–85 percent of the prices of new drums. Thus in the period immediately preceding the Korean conflict a new 55 gallon drum was selling for approximately $4.50, while a similar reconditioned drum sold at an average price $3.75. The sharply accelerated demand for containers following the outbreak of the Korean crisis upset this customary price relationship and by the end of 1950, used drums in many cases were being sold at prices in excess of those for new drums. This distortion began at the emptier level and of necessity was reflected at all subsequent levels in the industry.

These abnormal prices, now reflected in the ceiling prices established by the General Ceiling Price Regulation, are seriously disrupting the normal pattern of distribution of used drums, are encouraging inventory hoarding, and are causing hardship to many users. These circumstances, and the accompanying uncertainty and confusion among both buyers and sellers, constitute a serious threat to this essential industry and to the many industries using drums for the transportation of materials vital to the defense program and civilian economy.

This ceiling price regulation establishes ceiling prices for the drums covered at all levels of sale in the industry. The ceiling prices established are designed to correct the price distortions which now exist by rolling back the ceiling price for reconditioned steel drums and for the service of reconditioning to a level which will re-establish the relationship between the prices for new and reconditioned drums which existed in the period immediately preceding the Korean crisis. In establishing such level, consideration has been given to the labor and material cost increases which reconditioners have sustained since June 24, 1950, and to the necessity of encouraging the expansion of facilities for this vitally needed service.

The new ceiling price established for the sale of a reconditioned drum of 40 to 58 gallon capacity is $4.00, delivered to the purchaser within a radius of 30 miles from the reconditioner's plant. Slightly higher ceiling prices are permitted for the West Coast because of higher new drum prices in that area. This price is approximately 82 percent of the average current price, $4.85, for a new drum. The prices established for the services of basic and total reconditioning (which are defined in the regulation) are $1.50 and $2.00, respectively. The ceiling charges for the service of applying linings are the same as those which prevail for new drum manufacturers. The ceiling price for a raw drum sold by an emptier has been determined by deducting from ceiling price for a reconditioned drum, the ceiling charges established for the service of reconditioning and the ceiling differential allowed for dealers (established on the basis of the differential prevailing during the period immediately preceding the Korean crisis).

The ceiling prices thus established will work no hardship upon emptiers since the prices which they receive for used drums bears little or no relationship to the costs of the products which they sell. In the emptiers' operations a used drum is a waste product in the category of scrap and the level of ceiling prices established for the emptiers' sales will not affect the volume of drums entering the market.

It is believed that the new ceiling prices, arrived at after consultation with the industry, will enable emptiers, dealers and reconditioners to obtain a fair and reasonable price, will permit industrial users of reconditioned drums to purchase them at a price bearing a normal relation to the price of new drums, and in large measure will restore the flow of drums to normal channels and discourage hoarding.

This regulation does not cover the entire field of drums, pails and other steel containers. Since more than 95 percent of the products sold or serviced by the industry are 30 to 58 gallon drums, inclusive, fabricated of 16 to 20 gauge steel, inclusive, it was deemed advisable, in view of the urgency of the present situation to specifically control that product and several special services, leaving for a later date a detailed study of the minor products such as pails and other containers. Ceiling prices for containers and services not covered by this regulation are established by the General Ceiling Price Regulation.

In the judgment of the Director of Price Stabilization, the provisions of this ceiling price regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

So far as practicable, the Director has given due consideration to the national effort to achieve maximum production in furtherance of the objectives of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

In formulating this ceiling price regulation, the Director consulted with the Used Steel Drum Industry Advisory Committee, industry representatives, and trade association representatives, to the extent practicable under existing circumstances, and has given full consideration to their recommendations.

The provisions of this ceiling price regulation and their effect upon business practices, cost practices, or means or aids to distribution in the industry have been considered. It is believed that no changes in such practices or methods have been effected. To the extent, however, that the provisions of the regulation may operate to compel changes in such practices or methods, such provisions are necessary to prevent circumvention or evasion of the regulation and to effectuate the policies of the act.

REGULATORY PROVISIONS

Sec.

AUTHORITY: Sections 1 to 10 issued under sec. 704, Public Law 774, 81st Congress interpret or apply Title IV, Public Law 774, 81st Congress, E. O. 101, September 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SECTION 1. *Coverage of the regulation*—(a) *Products and services.* (1) This regulation establishes ceiling prices for raw and reconditioned steel drums of 30 to 58 gallon capacity, inclusive, fabricated of 16 to 20 gauge steel, inclusive. It does not apply, however, to 55 gallon drums fabricated of 16 gauge steel known as ICC 5 or ICC 5B drums or to any used steel drums, pails, or containers having a capacity of less than 30 gallons or more than 58 gallons or fabricated of steel heavier than 16 gauge or lighter than 20 gauge.

(2) This regulation also establishes ceiling prices for the services of reconditioning and lining any raw steel drums for which ceiling prices are established by this regulation.

(b) *Persons covered.* This regulation applies to all persons who sell the products or furnish the services covered by this regulation, including importers and exporters.

(c) *Geographical applicability.* This regulation applies in the 48 States of the United States, and the District of Columbia.

SEC. 2. *Prohibitions*—(a) *Against transactions above ceiling prices.* Regardless of any contract or other obligation, on and after the effective date of this regulation no person shall sell or deliver any of the drums covered by this regulation, or furnish the services covered by this regulation, at a price in

excess of the applicable ceiling price set forth in this regulation, and no person shall buy or receive, in the regular course of trade or business, any such drums or services at a price in excess of such applicable ceiling price. No person shall offer, solicit, attempt, or agree to do any of the foregoing.

Lower prices than those set forth in this regulation may be charged, demanded, paid, or offered.

(b) *Against tie-in transactions.* No person shall sell any of the products or services covered by this regulation on condition (1) that the buyer purchase from any person any commodity or service, or (2) that the buyer sell to any person any commodity or service. No person who in the regular course of trade or business buys any of the products or services covered by this regulation shall participate in any such tie-in transactions. Nothing in this paragraph shall be construed to prohibit any person from selling a product shipped in a steel drum on condition that the buyer shall resell such drum to the shipper. Any such resale, however, shall be subject to the provisions of this regulation. Furthermore, nothing in this paragraph shall be construed to prohibit a person selling a product shipped in a steel drum on condition that the buyer shall return such drum to the shipper on penalty of forfeiture of a deposit.

(c) *Against evasion.* No person shall evade or circumvent the provisions of this regulation by direct or indirect methods in connection with the sale, purchase, delivery, or transfer of the drums or services covered, alone or in conjunction with any other product, or by way of any commission, service, or transportation charge or discount, premium, or other privilege, or by up-grading, trade understanding, or otherwise.

SEC. 3. *Ceiling prices for raw steel drums*—(a) *Sales by persons other than persons who purchased for resale.* The ceiling price, f. o. b. point of shipment, for raw steel drums when sold by a person other than a person who purchased for resale and shipped from any point other than a point in the State of California, Oregon, or Washington is the applicable price set forth in Table A of this regulation. When shipment is made from a point in the State of California, Oregon, or Washington, an amount not in excess of $0.25 per drum may be added to the applicable price in Table A.

TABLE A

Capacities:	Price per drum
30 to 39 gallons, inclusive	$1.50
40 to 58 gallons, inclusive	1.75

(b) *Sales by persons who purchased for resale.* The ceiling price for raw steel drums when sold by a person who purchased for resale and shipped from any point other than a point in the State of California, Oregon, or Washington is the applicable price set forth in Table B of this regulation. When shipment is made from a point in the State of California, Oregon, or Washington, an amount not in excess of $0.25 per drum may be added to the applicable price in Table B.

When delivery is made to the purchaser by railroad or other common carrier, the prices set forth in Table B apply f. o. b. shipping point. When delivery is made by a seller's truck to a purchaser located 30 miles or less from the shipping point, the prices in Table B apply on a delivered basis and no charge for delivery may be made. When delivery is made by a seller's truck to a purchaser located more than 30 miles from the shipping point, an amount not in excess of the established railroad carload freight charge for transporting drums from the shipping point to destination may be charged, and paid, in addition to the applicable price in Table B.

TABLE B

Capacities:	Price per drum
30 to 39 gallons, inclusive	$2.10
40 to 58 gallons, inclusive	2.35

SEC. 4. *Ceiling prices for reconditioned steel drums.* (a) The ceiling price for reconditioned steel drums when sold by any person and shipped from any point other than a point in the State of California, Oregon, or Washington is the applicable price set forth in Table C of this regulation. When shipment is made from a point in California, Oregon, or Washington, an amount not in excess of $0.25 per drum may be added to the applicable price in Table C.

When reconditioned steel drums are delivered to the purchaser by railroad, the prices in Table C apply f. o. b. point of shipment. When delivery is made by truck to a purchaser located 30 miles or less from the shipping point, the prices in Table C apply on a delivered basis and no charge for delivery may be made. When delivery is made by truck to a purchaser located more than 30 miles from the shipping point, an amount not in excess of the established railroad carload freight charge for transporting drums from the shipping point to destination may be charged, and paid, in addition to the applicable price in Table C.

When a lining is required in a buyer's operations and a lined reconditioned drum is furnished at the buyer's request, an amount not in excess of the applicable charge determined in accordance with section 5 (b) of this regulation may be added to the applicable price in Table C.

TABLE C

Capacities:	Price per drum
30 to 39 gallons, inclusive	$3.75
40 to 58 gallons, inclusive (other than 50–55 gallon agitator drums)	4.00
50 to 55 gallons, inclusive, agitator drums	4.50

SEC. 5. *Ceiling prices for the services of reconditioning and lining raw steel drums covered by this regulation*—(a) *Reconditioning.* The ceiling price for the service of reconditioning raw steel drums covered by this regulation is the applicable price set forth in Table D of this regulation. Only the prices for basic reconditioning set forth in Table D may be charged, or paid, for reconditioning lard and shortening drums.

TABLE D

Type of drums	Basic reconditioning	Total reconditioning
	Per drum	*Per drum*
Agitator drums with capacities of 50 to 55 gallons, inclusive	----------	$2.50
All other raw steel drums covered by this regulation	$1.50	2.00

(b) *Lining.* The ceiling price for the service of lining any reconditioned drum covered by this regulation is the applicable price set forth in Table E of this regulation. The prices set forth in Table E may be charged, and paid, only for lining a full open head drum and cover whose surfaces have been stripped of their previous linings. When two coats of lining are applied, twice the applicable price may be charged.

TABLE E

Type of lining:	*Price*
New lacquer, resinous, or oleo resinous lining	$0.65
Phenolic or vinyl acid and alkaline resistant baked lining	1.00

SEC. 6. *Definitions.* When used in this regulation the term: (a) "Agitator Drum" means a bung type or open head drum which contains a rod and paddles (or blades) and an opening in the center of the head for the purpose of agitating the contents and has a two inch bung in the lower section of the side of the drum.

(b) "Basic reconditioning" means subjecting a drum to all of the following services to make it suitable for use as a shipping container: Inside and outside washing (or burning), rinsing, siphoning, scraping where necessary, chime straightened, exterior painting, drying, inspection for leaks, replacement of all bung gaskets, and pick-up and delivery. In the case of an open head drum these services shall include the cleaning and painting of cover and ring. When shipment is made or received by rail the drum shall be deemed picked-up and/or delivered when taken from or loaded on railroad cars.

(c) "Drum" means any single walled, cylindrical or bilged steel shipping package, liquid tight, having a welded side seam, with a capacity of 30 to 58 gallons inclusive, constructed of steel sheets of 16–20 U. S. Standard gauge, inclusive excepting ICC 5 or ICC 5B drums.

(d) "Exporter" means a person who sells raw or reconditioned steel drums which are transported from a place inside the United States, its Territories, or Possessions to a place outside thereof.

(e) "Importer" means a person who first sells raw or reconditioned steel drums which are transported, either before or after such sale, from a place outside the United States, its Territories or Possessions to a place inside thereof.

(f) "Persons" includes an individual, corporation, partnership, association, or any other organized group of persons or legal successor or representative of any of the foregoing, and includes the United States Government or any agency thereof, or any other government, or any of its political subdivisions or any agency of any of the foregoing.

(g) "Raw steel drum" means a used steel drum which has been emptied, but has not been reconditioned for reuse after the last emptying, or an unused drum which has been damaged or deteriorated to such an extent as to require reconditioning before it can be used as a shipping container.

(h) "Reconditioned steel drum" means a raw steel drum which has been subjected to either a basic or a total reconditioning as defined herein, necessary to make the raw drum suitable for use as a shipping container, including the replacement, where necessary, of all bung gaskets.

(i) "Total reconditioning" of a drum means the performance of the basic reconditioning as defined in paragraph (b) of this section plus any or all of the following services which may be necessary to make the drum suitable as a shipping container or which may be required by the purchaser: Dedenting, chaining, or tumbling, cooking and soaking, blasting or steel brushing, or welding of all leaks up to and including one inch in length or diameter except chime or flange leaks.

SEC. 7. *Invoicing and record-keeping requirements.* (a) Every person making a sale in excess of $10.00 of the products covered by this regulation shall render to the purchaser an invoice for each sale setting forth the following: Each type of drum sold; delivery charges, if any; and the price charged and the quantity of each size or type sold. The seller must also show on each invoice whether the drums were raw or reconditioned, and the invoice must bear the words "Ceiling prices do not exceed those established by Ceiling Price Regulation 36."

(b) Every person selling services covered by this regulation shall render to the purchaser an invoice for each lot of drums reconditioned setting forth the following: the type and capacity of the drums reconditioned; whether the reconditioning operation was a "basic" or "total" reconditioning, and if "total", what services in addition to "basic" reconditioning were rendered; and any additional services rendered. Every invoice must bear the words "Ceiling prices do not exceed those established by Ceiling Price Regulation 36."

(c) The invoices required in paragraphs (a) and (b) of this section shall be retained by the buyer and a copy thereof retained by the seller for inspection by the Director of Price Stabilization for a period of two years.

SEC. 8. *Excise, sales and similar taxes.* Any person may collect, in addition to the ceiling prices established by this regulation, any excise, sales or similar tax imposed upon him by reason of his sales of the products or services covered by this regulation if he is not prohibited by law from making such collection and if he states separately from his selling price the amount of the tax collected.

SEC. 9. *Enforcement.* Persons violating any of the provisions of this regulation shall be subject to the criminal penalties, civil enforcement actions, and suits for damages provided for by the Defense Production Act of 1950.

SEC. 10. *Amendment.* Any person seeking an amendment to any provisions of this regulation may file a petition for amendment in accordance with the provisions of Price Procedural Regulation No. 1.

NOTE: All record-keeping and reporting provisions of this Regulation have been approved by the bureau of the Budget in accordance with the Federal Reports Act of 1942.

Effective date. This regulation shall become effective May 16, 1951.

EDWARD F. PHELPS, Jr.,
Acting Director of Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5613; Filed, May 11, 1951; 11:45 a. m.]

[General Ceiling Price Regulation, Amdt. 10]

GENERAL CEILING PRICE REGULATION

AGRICULTURAL COMMODITIES; "PARITY" ADJUSTMENT FOR COOPERATIVES, PRODUCER-PROCESSORS, ET AL.

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 10 to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

Prior to the issuance of this amendment, some processors who produced their own agricultural commodities and some producer-owned cooperative processors were unable to take advantage of the "pass-through" provisions of section 11 of the General Ceiling Price Regulation, as amended, because they made no purchases of the below-parity commodities. They therefore had no way of determining the differences in the cost to them of such commodities between the base period and a current date. As a result, these cooperative processors found themselves unable to pay their members prices for below-parity commodities equal to those paid growers by independent processors, and producer-processors were unable to realize a return for their production activities equal to the prevailing market price on their raw commodities.

A slightly different problem is present in the case of processors operating under "open" price and deferred payment contracts. These contracts relate the price paid to the producer for the listed commodity to the processor's subsequent sales price or profit on the sale, or, as is frequently the case in the dairy industry, to a price determined by state or municipal authorities, or to other factors unknown at the time the processor receives delivery. Such processors can not take immediate advantage of the "pass-through" provision because they cannot finally determine the cost to them of the listed agricultural commodity until after they process and sell it.

This amendment deals with the above problems in the following manner:

For producer-processors and processors who purchase listed agricultural commodities pursuant to "open" price or deferred payment contracts, it is provided that, in calculating the "pass-through" to which they are entitled under section 11 (b) (2), they may adopt the prices their nearest competitor had to pay for the listed agricultural commodity.

It is further provided that producer-owned cooperatives may increase their ceiling prices, so long as the agricultural commodity is listed in section 11 (a), provided that they pass back to producers the entire dollar-and-cent amount of that increase. By this method increases in the processing margin of cooperatives are prevented but the producer is not stopped from realizing a return equal to parity on the raw commodity.

Section 11 (f), which requires reporting of any increases in ceiling price taken pursuant to the parity "pass-through" provisions, has also been amended to provide special reporting methods for the processors dealt with in this amendment. Because of the different technique used by these processors in calculating the amount of their "pass-through", the information required from them is somewhat different from that which must be sent in by the average processor.

In the judgment of the Director of Price Stabilization this amendment is generally fair and equitable and is necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

AMENDATORY PROVISIONS

The General Ceiling Price Regulation is amended in the following respects:

1. Section 11(b) is amended by adding subparagraph (3) to read as follows:

(3) (i) If (*a*) you are a producer-processor, and (*b*) you cannot otherwise determine your ceiling price under paragraph (b) (2) of this section because you do not customarily purchase any amount of a listed agricultural commodity from independent producers wholly unaffiliated with you, you shall, for purposes of paragraph b (2) of this section, use as your costs the prices (with adjustment for difference in delivery costs) paid for a customary purchase by your nearest competitor. Such competitor must be one who buys the same quality of the commodity as do you, buys it in quantities comparable to the quantities in which you buy, and buys it at firm prices for processing.

(ii) If (*a*) you are a processor who purchases the listed agricultural commodity under "open" price or deferred payment contracts, which relate the price you pay the producer to facts unknown both at the time the raw agricultural commodity is delivered to you, and at the time of sale of the processed product, and (*b*) you cannot otherwise determine your ceiling price under paragraph (b) (2) of this section because you do not customarily purchase any amount of a listed agricultural commodity at prices finally determined at the time of sale, you shall, for purposes of para-

graph (b) (2) of this section use as your costs the prices (with adjustment for differences in delivery costs) paid for a customary purchase by your nearest competitor. Such competitor must be one who buys the same quality of the commodity as do you, buys it in quantities comparable to the quantities in which you buy, and buys it at firm prices for processing.

(iii) If (*a*) you are a producer-owned cooperative processor, and (*b*) you cannot otherwise determine your ceiling price under paragraph (b) (2) of this section because you do not customarily purchase any amount of a listed agricultural commodity from independent producers wholly unaffiliated with you, you may increase your ceiling price (as determined under the other sections of this regulation) for products processed from such commodities if the entire dollar-and-cent increase in total gross sales revenue derived from that increase in your ceiling price is passed back to producers within 30 days after the end of each normal accounting period. The amount so passed back must be in addition to the full amount you would normally have passed back to producers had you sold the processed product at the ceiling price determined under the other sections of this regulation.

2. Section 11 (f) is amended by adding "(1)" before "If", the first word of the text; by adding "(2)" after "11 (b)" in the first sentence; and by changing the subparagraph numbers "(1)", "(2)", "(3)", and "(4)" to "(i), (ii), (iii), (iv)", respectively.

3. Section 11 (f) is further amended by adding subparagraphs (2) and (3) to read as follows:

(2) If you are either a producer-processor pricing under section 11 (b) (3) (i), or a processor operating under "open" price or deferred payment contracts and pricing under section 11 (b) (3) (ii), you may not increase your ceiling price for such commodity until you first notify the Director of Price Stabilization, Washington 25, D. C., by registered mail giving the following information:

(i) The name and address of your nearest competitor selected pursuant to section 11 (b) (3) (i) or (ii).

(ii) The highest price paid for the listed agricultural commodity in the base period by your nearest competitor, or his ceiling price (determined before application of this section), or your dollar-and-cent per unit margin in the base period (determined by taking your ceiling price, as determined under this regulation before application of this section, and subtracting from it the highest per unit price paid by your nearest competitor for a customary purchase in the base period).

(iii) The current price paid for a customary purchase of the listed agricultural commodity by your nearest competitor.

(iv) Your ceiling price, as determined under this regulation, before application of this section.

(v) The increased ceiling price.

In the case of increased cost of ingredients, furnish the figures substantiating the conversion of your increase in cost to the increase in the ceiling price.

(3) If you are a cooperative-processor pricing under section 11 (b) (3) (iii), you may increase your ceiling price without first giving any notice, but must, within 30 days after the end of each normal accounting period during which you increased your ceiling price, notify the Director of Price Stabilization, Washington 25, D. C., by registered mail giving the following information:

(i) The amount retained by you per unit of the processed commodity sold in the last normal accounting period before February 1, 1951.

(ii) The amount passed back to producers per unit of the processed commodity sold in the last normal accounting period before February 1, 1951.

(iii) The amount retained by you per unit of the processed commodity sold in the most recent normal accounting period.

(iv) The amount passed back to producers per unit of the processed commodity sold in the most recent normal accounting period.

Effective date. This amendment shall become effective May 16, 1951.

NOTE: The record-keeping and reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5609; Filed, May 11, 1951; 11:44 a. m.]

[General Overriding Regulation 10]

GOR 10—ADJUSTMENTS OF CEILING PRICES FOR MANUFACTURERS

Pursuant to the Defense Production Act of 1950 (Public Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this General Overriding Regulation 10 is hereby issued.

STATEMENT OF CONSIDERATIONS

A ceiling price regulation, although generally fair and equitable to the group which it covers, may sometimes work hardships or inequities on some individual members of the group, and the Office of Price Stabilization has recognized that some provision should be made for the adjustment of individual hardship cases. CPR 22, the Manufacturers' General Ceiling Price Regulation, issued on April 25, 1951, provides for individual adjustments for manufacturers who cannot operate without losses under their ceiling prices. Many manufacturers are, however, not covered by CPR 22 and will not, therefore, have available to them the adjustment provision in that regulation. This general overriding regulation is therefore being issued to make individual adjustments available to any manufacturer who finds himself in a loss position as a result of a ceiling price imposed by any regulation.

The provisions of this regulation will apply to all manufacturers, whether covered by CPR 22 or by any other ceiling price regulation, but a manufacturer will not be prevented thereby from taking advantage of any special adjustment provisions of any other regulation which may be applicable to him.

Like CPR 22, this regulation is intended to provide for individual adjustments, under certain circumstances, for a manufacturer who cannot operate under ceiling price regulations without a loss on his over-all operations. As under CPR 22, the manufacturer must show that his loss is due or will be due to ceiling price limitations. It is not intended to provide adjustments for losses resulting from factors other than ceiling prices, such as seasonal, temporary or non-recurring factors, uneconomical operations, illegal wage payments, and the like; nor is it intended to provide an inefficient manufacturer with a level of prices substantially in excess of that which is adequate for the bulk of his competitors.

This regulation is a step in the development of a standard for adjusting the prices of individual sellers to avoid hardship or inequity, and the Office of Price Stabilization will continue to give consideration to the problem insofar as adjustments for other types of sellers and situations are concerned.

FINDS OF THE DIRECTOR OF PRICE STABILIZATION

In the judgment of the Director of Price Stabilization the provisions of this regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

So far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objectives of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

REGULATORY PROVISIONS

Sec.
1. What this regulation does.
2. Who may apply.
3. Information to be submitted.
4. Action on applications.
5. Adjustment in resale prices.
6. Delegation of authority.
7. Definitions.
8. Geographical applicability.

AUTHORITY: Sections 1 to 8 issued under Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SECTION 1. *What this regulation does.* This regulation permits a manufacturer to apply for an upward adjustment of his ceiling prices established under any other regulation, if as a result of such ceiling prices, the manufacturer would be forced to operate at a loss with respect to his over-all manufacturing operations. This regulation does not, however, prevent a manufacturer, who is eligible for an adjustment under some other regulation, from applying for an adjustment under that regulation.

SEC. 2. *Who may apply.* (a) A manufacturer may file an application for adjustment under this regulation where:

(1) His existing ceiling prices would require him to operate at a loss with respect to his over-all manufacturing operations; and

(2) The adjusted prices for which he applies will not be substantially out-of-line with the ceiling prices established for other sellers of similar commodities.

(b) The manufacturer must show that under his existing ceiling prices his over-all manufacturing operations have been actually conducted at a loss during a recent representative period of operation of at least one month; or that they would have been conducted at a loss if the commodities involved had been manufactured in his customary quantities and proportions; or that, due to the occurrence of a substantial and continuing change of some element affecting costs and profits, a projection of his operations clearly shows tht he will be immediately operating at a loss.

(c) The loss involved must be attributable to the level of his existing ceiling prices and not to any of the following:

(1) Seasonal, temporary or non-recurring factors affecting his operations.

(2) A reduction in volume of production below the normal economical capacity of his plant.

(3) The payment of unlawful wages or excessive salaries or of unlawful or excessive prices for materials.

(4) The incurring of factory overhead costs or of selling, administrative and general costs which are abnormally high relative to sales or other costs unless such excess is demonstrated by clear and convincing evidence to have been unavoidable in the exercise of sound business judgment and management.

(5) Any transactions with affiliated corporations or businesses which either are of a kind which would not result from arm's-length bargaining or differ from transactions customarily entered into with such affiliated concerns.

(6) Reserves for contingencies, or any other unusual factors.

SEC. 3. *Information to be submitted.* A manufacturer seeking an adjustment under this regulation shall file an application with the Office of Price Stabilization, Washington 25, D. C., and include the following:

(a) His name and address, a description of his manufacturing facilities and the commodities he manufactures, and a statement of the principal types of customers to whom he sells.

(b) Where he was in operation for such periods, detailed annual profit and loss statements for the years 1946 through 1949, and both an annual statement and if he regularly prepares them, quarterly profit and loss statements for the year 1950 and each quarter since then.

(c) A detailed profit and loss statement covering his most recent period of operations under his existing ceiling prices, of one month or more, for which such a statement can be prepared, together with a careful explanation of how it was prepared, including particularly a justification of any estimating procedures used in its preparation, and where an actual loss has not yet been experienced, clear and convincing evidence first, that changes in conditions which have already occurred will cause him immediately to incur a loss and, second, what the minimum amount of this loss will be.

(d) A showing that the loss in his current operations is not due to any of the factors in section 2 (c) of this regulation.

(e) For the commodities subject to ceiling price regulation, a statement of his existing ceiling prices for sales to his largest buying class of purchaser, including delivery terms, allowances, premiums and extras, deductions, guarantees, servicing terms and other terms and conditions of sale, a schedule of his price differentials to his other classes of purchasers, and a statement of the ceiling price regulations under which his ceiling prices are established.

(f) A list of his principal competitors, and a statement of their ceiling prices for similar commodities, together with data showing the past relationships of his prices to the prices they have charged.

(g) A proposed schedule of adjusted ceiling prices, and a demonstration that, if these prices were charged, his operations would be at a break-even position.

SEC. 4. *Action on applications.* The Office of Price Stabilization will grant or deny, in full or in part, an application under this regulation, or request further information, and may, as a condition of granting an application in full or in part, require the submission of reports of subsequent operations. If, thirty days after acknowledgement of receipt of an application, none of the actions listed above has been taken, the manufacturer may sell at his proposed adjusted ceiling prices until such time as the OPS notifies him that such prices have been disapproved. OPS may at any time revoke or modify adjustments under this regulation.

SEC. 5. *Adjustment in resale prices.* In connection with any order granting an adjustment in the maufacturer's ceiling prices, OPS may also adjust the ceiling price of any person who resells the commodity in the same form, to the extent deemed necessary in the judgment of the Director of Price Stabilization or his duly authorized representative.

SEC. 6. *Delegation of authority.* The National Office of the Office of Price Stabilization may refer any application for adjustment filed pursuant to this regulation to the appropriate Regional Director. Any Regional Director, or any District Director authorized by the appropriate Regional Director, may in case properly referred to him take action in accordance with sections 4 and 5 of this regulation.

SEC. 7. *Definitions.* "Manufacturer" means a producer, processor, assembler, finisher, printer or fabricator, who substantially changes the form of some commodity or commodities, combines two or more commodities into a differing one, or creates a new commodity from existing ones.

SEC. 8. *Geographical applicability.* This regulation applies in the 48 States of the United States and the District of Columbia.

Effective date. This general overriding regulation shall become effective May 11, 1951.

NOTE: The reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

EDWARD F. PHELPS, Jr.,
Acting Director of Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5611; Filed, May 11, 1951; 11:44 a. m.]

[Distribution Regulation 1 Including Amdts. 1-4]

DR 1—FAIR DISTRIBUTION OF LIVESTOCK AND MEAT

Distribution Regulation 1 is republished to incorporate the text of Amendments 1 through 4. Distribution Regulation 1 was issued February 9, 1951, as Distribution Order 1 (16 F. R. 1273). Preambles to Distribution Regulation 1 and to Amendments 1 through 4, inclusive, as previously published are applicable to this republication. The effective dates of the amendments are shown in a note preceding the first section of the regulation.

Sec.

AUTHORITY: Sections 1 to 15 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong.; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105.

NOTE: See delegation of authority by the Secretary of Agriculture to the Economic Stabilization Agency with respect to the allocation of meat, Jan. 26, 1951 (16 F. R. 1272), and Economic Stabilization Agency, General Order No. 5, Feb. 8, 1951 (16 F. R. 1273).

DERIVATION: Sections 1 to 15 contained in Distribution Regulation 1, Feb. 9, 1951, 16 F. R. 1273, except as otherwise noted in brackets following text affected.

EFFECTIVE DATES: Amendment 1, Feb. 27, 1951, 16 F. R. 1819.
Amendment 2, Mar. 31, 1951, 16 F. R. 2835.
Amendment 3, Mar. 31, 1951, 16 F. R. 2871.
Amendment 4, Apr. 30, 1951, 16 F. R. 3770.

SECTION 1. *What this regulation does.* (a) If you wish to slaughter livestock (cattle, calves, sheep, and lambs, or swine) you are required to determine

under this regulation whether you are permitted to slaughter livestock at all and if so the amount which you are permitted to slaughter.

(b) The regulation divides slaughterers and slaughtering establishments into classes and prescribes quotas by which slaughterers of each class ascertain the amount of livestock they may slaughter or have slaughtered for them. The classes are defined precisely in subsequent sections but generally the classes are:

(1) Class 1 or federally-inspected slaughterers;

(2) Class 2 or commercial slaughterers not federally inspected;

(3) Class 1A slaughterers—persons who have Class 1 slaughterers slaughter livestock for them.

(4) Class 2A slaughterers—persons who have Class 2 slaughterers slaughter livestock for them.

(5) Class 3 or farm slaughterers who transferred up to 6,000 pounds of meat during the calendar year 1950.

(6) Resident operators of farms or persons who raised their own livestock and slaughter it for use in their own household or on the farm which they operate.

(c) If you operate more than one slaughtering establishment, this regulation applies to each separate establishment and each of them must be operated as if owned by a different person.

(d) This regulation applies to the forty-eight states of the United States and the District of Columbia.

[Paragraph (d) added by Amdt. 3]

SEC. 2. *Prohibitions against slaughtering.* (a) Between February 9, 1951, and April 29, 1951, you may not slaughter cattle, calves, sheep and lambs, or swine unless you were engaged in the business of slaughtering that species of livestock during the period from January 1, 1950, to February 9, 1951, or unless you are a resident operator of a farm who comes within the definition of a Class 3 slaughterer contained in section 5, or a livestock raiser as defined in section 6.

(b) On and after February 9, 1951, you may not have cattle, calves, sheep and lambs, or swine slaughtered for you unless you had that species of livestock slaughtered for you during the period from January 1, 1950, to January 1, 1951, or unless you are a resident operator of a farm or a livestock raiser mentioned in paragraph (a).

(c) After April 15, 1951 unless you have been registered by the Office of Price Stabilization, or unless you are a resident operator of a farm or a livestock raiser as defined, you may not slaughter cattle, calves, sheep and lambs, or swine.

(d) After April 1, 1951, if you are a Class 1 or Class 2 slaughterer you may not slaughter cattle in excess of your quota.

(e) After April 29, 1951, if you are a Class 1 or Class 2 slaughterer, you may not slaughter cattle, calves, sheep and lambs, or swine in excess of your quota.

(f) Violation of the regulation will subject you to the penalties of the Defense Production Act of 1950, including a fine of $10,000 and imprisonment up to one year.

[Section 2 amended by Amdt. 3]

SEC. 3. *Class 1 slaughterers*—(a) *Definition.* If you operate a slaughtering establishment which is subject to Federal meat inspection under the provisions of the act of March 4, 1907 (34 Stat. 1260) (12 U. S. C. 71) as amended, and the rules and regulations promulgated thereunder, you are, with respect to each such establishment, a Class 1 slaughterer.

(b) *Registration and notification to Class 1A slaughterers.* On or before March 15, 1951, you must register with the Office of Price Stabilization, Washington 25, D. C., by filing in duplicate OPS Form DO 1–1 with the information there required. If the information furnished by you on OPS Form DO 1–1 indicates that you are entitled to slaughter livestock under this regulation the Washington Office will send you prior to April 15, 1951, a copy of OPS Form DO 1–1 showing your registration number. After April 15, 1951, unless you have received your registration from the Washington Office you may not slaughter any livestock. Prior to filing this form with the Office of Price Stabilization you must notify each Class 1A slaughterer for whom you slaughtered livestock during the calendar year 1950 of the exact amount of livestock which you slaughtered for him during that period by mailing to him OPS Form DO 1–4 in duplicate with the information there required.

[Paragraph (b) amended by Amdt. 3]

(c) *Quotas.* For the period beginning April 29, 1951, and ending May 26, 1951, you will have a quota on all species of livestock. The quota for each species of livestock will be the number of pounds live weight of each species you slaughtered during the period from April 30, 1950, to May 27, 1950, inclusive, multiplied by the applicable percentage set forth in Supplement 1 to this regulation. If you received a weekly adjustment for your slaughter of any species of livestock for any of the four weeks from April 30, 1950, to May 27, 1950, you may use the adjustment as the number of pounds live weight of the species you slaughtered during those weeks. If you received an adjustment on your slaughter of any species for the April–June 1950 calendar quarter, you may use 31 percent of the adjusted amount as the number of pounds live weight of the species you slaughtered during the period from April 30, 1950, to May 27, 1950, inclusive. If you began slaughtering any species after April 30, 1950, you may determine the amount of that species you may slaughter during the period beginning April 29, 1951, and ending May 26, 1951, by dividing the total live weight of the particular species slaughtered between April 30, 1950, and February 9, 1951, by the number of weeks in which you slaughtered the particular species, multiplying the result by four and multiplying the resulting figure by the applicable percentage set forth in Supplement 1 to this regulation. The multiplier for May 1951 furnished to you by the OPS will not apply for the period April 29, 1951, to May 26, 1951. You may not slaughter more than 60 percent of your quota for any species (including your carry-over on cattle from the April 1, 1951, to April 28, 1951, quota period) during the first half of your quota period. Beginning May 27, 1951, you will have a quota, fixing for each week the number of pounds live weight of each species of livestock you may slaughter. The quota for each species will be determined by the use of a multiplier and FIS base furnished you by the Office of Price Stabilization. The information required on OPS Form DO 1–1 will furnish the basis on which Office of Price Stabilization will determine multipliers for you to use during the calendar quarters beginning on the first Monday in January, April, July and October of each year. You will be notified by the Office of Price Stabilization prior to the beginning of each quarter of the multiplier for each species of livestock to be used by you in determining your quotas for each week of the quarter. In addition you will be notified prior to the commencement of each week of the FIS base by species and by pounds live weight for that week to which you apply your multipliers to determine your quotas for that week. During the first two days of the week you may be notified of a decrease in the FIS base. At any time during the week you may be notified of an increase in the FIS base.

Example. Slaughterer A has been informed that his multiplier for swine is .004. Prior to the quota period slaughterer is notified that the FIS base for swine for the quota period is 250 million pounds, live weight. Multiplying 250 million by .004 the slaughterer determines that his quota for swine for that quota period is one million pounds live weight. Not later than the second day of the quota period slaughterer A may be informed by Office of Price Stabilization that the FIS base for swine has been reduced to 240 million pounds live weight. Multiplying 240 million by .004 he determines that his quota for swine for the quota period has been changed to 960,000 pounds live weight.

[Paragraph (c) amended by Amdts. 3 and 4]

(d) *Carry-overs.* If you did not use your entire quota for cattle during the period April 1, 1951 to April 28, 1951 you may use the unused portion, not to exceed five percent of that quota, in the period begining April 29, 1951 and ending May 26, 1951. After May 27, 1951 if you did not use your entire quota for any species during any given week you may use the unused portion, not to exceed 10 percent of that quota, in the next week only.

Example 1. Slaughterer A has a quota on swine of 100,000 pounds live weight for the quota period. He slaughters swine weighing a total of 90,000 pounds live weight during the quota period. He may carry over 10 percent of his quota for swine (10,000 pounds) to his next quota period.

Example 2. The same slaughterer in the next quota period has a quota of 90,000 pounds live weight for swine. Adding the 10,000 pounds from the previous period he may slaughter swine weighing a total of 100,000 pounds live weight during the quota period. If he slaughters swine weighing 90,000 pounds live weight he has slaughtered the full amount of his quota and does not have a carry-over to his next quota period. If he slaughters swine to the extent of only

85,000 pounds, he may carry over 5,000 pounds, the difference between 85,000 pounds and his quota of 90,000 pounds. The carry-over applies only to the current quota and not to the quota plus the carry-over from the previous quota period.

Example 3. If in example 2 the slaughterer slaughtered swine weighing 70,000 pounds live weight during the quota period he may not carry over more than 10 percent of his quota of 90,000 pounds, or 9,000 pounds live weight, to his next quota period. The carry-over for each species at all times is restricted to no more than 10 percent of the quota for that species for the quota period.

[Paragraph (d) amended by Amdt. 4]

(e) *Overages.* If in any week you slaughter livestock of any species in excess of your quota (including any carry-over from the preceding week) your quota for the following week for that species shall be reduced by twice the amount by which you exceeded your quota. If twice the amount of the overage is greater than the quota of the ensuing week you may not slaughter any of that species of livestock during that week nor in any succeeding week until the total of the quotas for the weeks in which you are prohibited from slaughtering livestock equals twice the amount of your overage. The quota limitations here imposed are in addition to any actions, penalties or proceedings authorized by law for violation of this regulation.

(f) *Marking requirements.* The registration number given to you by the Office of Price Stabilization for the purpose of this regulation will be the same as your federal inspection establishment number. On and after April 1, 1951, you are required to stamp or mark your registration number on each carcass so that it appears on every accessible wholesale cut. You may not sell a wholesale cut unless it has been so marked. The establishment number stamp which you use for purposes of compliance with the federal inspection requirements will satisfy this purpose. On OPS Form DO 1–3 a number appears before the name of each Class 1A slaughterer whom you listed. All wholesale cuts of meat derived from livestock which you slaughter on behalf of a Class 1A slaughterer must bear an additional stamp at every place at which your establishment number stamp appears, showing the number of that Class 1A slaughterer as it appears on OPS Form DO 1–3.

(g) *Invoices.* On every sale of meat from your slaughtering establishment you must furnish the buyer with an invoice which contains the date the buyer's name and address, your own name and address, and the amount and kind of meat sold. Copies of all such invoices must be preserved by you and kept available for inspection by the Office of Price Stabilization.

(h) *Change in operation.* If you give up federal inspection for your establishment and you wish to continue your slaughter business as a Class 2 slaughterer you must notify the Washington Office within five days of the time you give up federal inspection. The Washington Office will withdraw your multiplier and cancel your registration as a Class 1 slaughterer. The Washington Office will instruct the Regional Office to issue to you a registration and assign quota bases to you as a Class 2 slaughterer. After this change in operation all of the sections pertaining to Class 2 slaughterers will apply to you.

(i) Sections 5 through 15 contain several provisions which may apply to you as a Class 1 slaughterer.

[Paragraph (i) amended by Amdt. 3]

SEC. 4. *Class 2 Slaughterers.* (a) *Definition.* If you slaughter livestock and such slaughter is not subject to federal meat inspection, you are a Class 2 slaughterer unless your slaughter is within the provisions of section 5 or 6 of this regulation.

(b) *Registration.* On or before March 15, 1951, you must register with the Regional Office of the Office of Price Stabilization for the place in which your slaughtering establishment is located. You register by filing with the Regional Office, OPS Form DO 1–2 in duplicate, providing the information there required. Prior to filing this form you must notify each Class 2A slaughterer for whom you slaughtered livestock during the calendar year 1950 of the exact amount of livestock which you slaughtered for him during that period by mailing to him OPS Form DO 1–5 in duplicate with the information there required. If the information furnished by you on OPS Form DO 1–2 indicates that you are entitled to slaughter livestock under this regulation the Regional Office will send you, prior to April 15, 1951, a copy of OPS Form DO 1–2 showing your registration number. After April 15, 1951, unless you have received your registration from the Regional Office you may not slaughter any livestock.

If your slaughtering establishment is not in operation, because of a suspension or other order of a State, County, City, or Municipal government or agency, you may not register under this regulation. When the suspension or other order is revoked or cancelled you may apply to the Regional Office for registration under this regulation.

[Paragraph (b) amended by Amdt. 3]

(c) *Quotas.* For each quota period (accounting period or calendar month or similar period of not less than four or more than five weeks used by you instead of calendar months in keeping your own books and records) beginning on or after April 29, 1951 you must have a quota before you may slaughter any species of livestock. The completed and signed OPS Form DO1–2 furnished to you by the Regional Office will show by species the live weight of livestock which you slaughtered during each accounting period of 1950. This is your quota base. Supplement 1 to this regulation contains a list of percentages for use by you and other Class 2 slaughterers in determining your quotas. To determine your quota for each quota period, you apply the appropriate percentage in the Supplement to the quota base for each species. If the resulting quota is less than the live weight of one animal, you may slaughter one animal of that species. If your quota period does not begin on April 29, 1951 you will have an interim quota period from April 29, 1951 to the date that your quota period begins. The quota for the interim quota period is computed as follows:

(1) Determine the quota for each species of livestock for the quota period in which the date April 29, 1951, occurs by multiplying the quota base for that quota period for each species of livestock by the applicable percentage set out in Table I of Supplement 1 to this regulation.

(2) Divide the quota for each species obtained in subparagraph (1) of this paragraph by the number of days in the quota period in which the date April 29, 1951 occurs.

(3) Multiply the result in subparagraph (2) of this paragraph for each species by the number of days between April 28, 1951, and the date of the first quota period beginning on or after April 29, 1951. The resulting amounts are your quotas for each species for the interim quota period.

You may not slaughter more than 60 percent of your quota for any species (including your carry-over from the preceding quota period) during the first half of your quota period.

If you began slaughtering any species after April 30, 1950, and you have not had your quota bases adjusted on your Form DO 1–2, you may use as your quota base the average monthly slaughter of that species between April 30, 1950, and February 9, 1951. After determining your quota base for the period you must apply the applicable percentages set forth in Supplement 1 to this regulation.

[Paragraph (c) amended by Amdts. 3 and 4]

(d) *Carry-overs.* If you did not use your entire quota for any species during any quota period you may use the unused portion, not to exceed 5 percent of that quota, in the next quota, period only.

Example 1. Slaughterer B has a quota for cattle of 200,000 pounds live weight for the quota period. He slaughters cattle weighing a total of 190,000 pounds live weight during the quota period. He may carry over 5 percent (10,000 pounds) of his quota of cattle to his next quota period.

Example 2. Assume that the same slaughterer in the next quota period has a quota of 150,000 pounds live weight for cattle. Adding the 10,000 pounds carry-over from the previous period he may slaughter cattle weighing a total of 160,000 pounds live weight during the quota period. If he slaughters cattle weighing 155,000 pounds live weight he has slaughtered the full amount of his quota (150,000 pounds) plus part (5,000 pounds) of his previous quota period carry-over and does not have any carry-over to his next quota period. If he slaughters cattle to the extent of only 145,000 pounds he may carry over 5,000 pounds, the difference between 145,000 pounds and his quota of 150,000 pounds. The carry-over applies only to the current quota and not to the quota plus the carry-over from the previous quota period.

Example 3. If in example 2 the slaughterer slaughtered cattle weighing only 130,000 pounds live weight during the quota period he may carry over not more than 5 percent of his quota of 150,000 pounds, or 7,500 pounds live weight to his next quota period. The carry-over for each species at all times is restricted to no more than 5 percent of the quota for that species for the quota period.

(e) *Overages.* If in any quota period you slaughter livestock of any species in excess of your quota (including any

carry-over from the preceding quota period), for any quota period, your quota for the following quota period for that species shall be reduced by twice the amount by which you exceeded your quota. If twice the amount of the overage is greater than the quota for the ensuing quota period, you may not slaughter any of that species of livestock during that quota period or in any succeeding quota period until the total of the quotas for the quota periods in which you are prohibited from slaughtering livestock equals twice the amount of your overage. The quota limitations here imposed are in addition to any action, penalties or proceedings authorized by law for violation of this regulation.

(f) *Marketing Requirements.* On and after April 1, 1951, or as soon thereafter as you receive your registration number from the Office of Price Stabilization, you are required to stamp or mark your registration number on each carcass so that it appears on every accessible wholesale cut. You may not sell a wholesale cut unless it has been so marked. On OPS Form DO 1–3 a number appears before the name of each Class 2A slaughterer whom you listed. All wholesale cuts of meat derived from livestock which you slaughter on behalf of a Class 2A slaughterer must bear an additional stamp at every place at which your registration number appears, showing the number of that Class 2A slaughterer as it appears on OPS Form DO 1–3.

[Paragraph (f) amended by Amdt. 3]

(g) *Invoices.* On every sale of meat from your slaughtering establishment you must furnish the buyer with an invoice which contains the date, the buyer's name and address, your own name and address, and the amount and kind of meat sold. Copies of each such invoice must be preserved by you and kept available for inspection by the Office of Price Stabilization.

(h) *Change in Operation.* If your establishment is subject to inspection under the provisions of the act of March 4, 1907 (34 Stat. 1260) as amended (21 U. S. C.) and the rules and regulations promulgated thereunder, you must notify the Regional Office within five (5) days of the time when you began to operate under Federal inspection. Upon the issuance to you of a Class 1 registration number by the Washington Office, the Regional Office will cancel your Class 2 registration. Thereafter all of the sections pertaining to Class 1 slaughterers will apply to you.

(i) *Other Provisions Which May Apply to Your Business.* Sections 5 through 15 contain general provisions which may apply to you as a Class 2 slaughterer.

[Paragraph (i) amended by Amdt. 3]

SEC. 5. *Class 3 Slaughterers.* (a) If you are a resident operator of a farm on which you reside at least 6 months a year, and if, during the calendar year 1950, you transferred no more than 6,000 pounds of meat resulting from your slaughter of livestock or the slaughter of livestock for you, you are a Class 3 slaughterer. The transfer of meat includes the selling, giving, exchanging, lending, delivering or consigning meat and also the placing or storing of meat in warehouses or locker plants.

[Paragraph (a) amended by Amdt. 2]

(b) You may not transfer any meat to any person who receives meat for resale, unless you transferred meat to such person in 1950. Furthermore, you may not transfer, during any six-month period beginning March 1 and September 1 of each year, more than the equivalent amount of meat you transferred during the same period of 1949–50. In no event may you transfer more than 3,000 pounds of meat in any such six-month period. The transfer of meat in excess of these amounts is a violation of this regulation subject to the penalties of the Defense Production Act of 1950.

(c) No Class 1 or Class 2 slaughterer may slaughter livestock for you under this section unless you furnish to him a signed statement setting forth (1) the address of your farm; (2) that you are a resident operator of a farm on which you reside at least 6 months a year; (3) that during the calendar year 1950 you transferred no more than 6,000 pounds of meat resulting from your slaughter of livestock or the slaughter of livestock for you; (4) a description of the livestock by species, number of head, and live weight; (5) that the transfer of all or any part of the meat will not make your total transfer of meat in the current six-month period, commencing with March 1 or September 1, exceed either 3,000 pounds or the amount you transferred during the corresponding six month period of 1949–50, whichever amount is lower. Furthermore, if any of the meat is to be transferred to persons acquiring it for resale, you must set forth in the statement the names and addresses of such persons and that you transferred meat to such persons in 1950.

[Paragraph (c) added by Amdt. 2]

(d) *Tagging requirements.* On and after April 1, 1951, you are required to attach a tag to each leg of every carcass transferred by you and to each wholesale cut transferred by you and you may not transfer meat unless it has been so tagged. Each tag must have on it the words "Class 3 slaughterer", and must also show your name and address.

(e) *Invoices.* On every transfer of meat you must furnish the buyer with an invoice which contains the date, the buyer's name and address, your own name and address and the amount and kind of meat transferred. Copies of all such invoices must be preserved by you and kept available for inspection by the Office of Price Stabilization.

[Former paragraphs (c) and (d) redesignated paragraphs (d) and (e) by Amdt. 2]

SEC. 6. *Limitations upon slaughter of livestock for home consumption.* (a) There are only 2 situations in which you may slaughter livestock or have it slaughtered for consumption in your own household or on a farm which you operate: (1) If you operate a farm at which you reside for more than six months a year; or (2) if you actually superintended the raising of the livestock and it was raised on your own premises for at least 90 days immediately before slaughter, or, if the livestock is less than 90 days old at the time of slaughter, then it must have been raised on your own premises from the time of its birth.

(b) No Class 1 or Class 2 slaughterer may slaughter livestock for you under this section unless you furnish to him a signed statement containing: (1) A description of the livestock by species, number of head, and live weight; (2) a statement that you have read paragraph (a) above and that, under the provisions of that paragraph you are eligible to have the particular livestock slaughtered for you.

SEC. 7. *Slaughter of "Club" livestock.* (a) Notwithstanding the provisions of section 2 (b) of this regulation if you purchase livestock at a sale conducted by members of 4–H Clubs, Future Farmers of America, or other recognized youth organizations, you may have such livestock slaughtered for you until the effective date of an amendment to this regulation which will set forth the conditions under which such livestock may be slaughtered.

[Section 7 amended by Amdts. 3 and 4]

SEC. 8. *Class 1A and Class 2A slaughterers (custom slaughterers).* (a) If you had livestock slaughtered for you during 1950 by a slaughterer who is designated Class 1 by this order you are a Class 1A slaughterer. You are entitled to have your livestock slaughtered by the same slaughterer and he is required to continue slaughtering livestock for you. There will be a quota on the amount of livestock he may slaughter for you for the period beginning April 29, 1951, and ending May 27, 1951. This quota is determined by multiplying the number of pounds live weight of each species of livestock which he slaughtered for you during the corresponding period in 1950 by the applicable percentages set forth in Supplement 1 to this regulation. Your Class 1 slaughterer is prohibited from slaughtering for you, and you are prohibited from giving him for slaughter, in any quota period, a greater number of pounds of any species of livestock than is provided for in the quota for that period. However, if the resulting quota is less than the live weight of one animal for any species, he may slaughter one animal of that species for you.

[Paragraph (a) amended by Amdts. 3 and 4]

(b) If you had livestock slaughtered for you during 1950 by a slaughterer who is designated Class 2 by this order, you are a Class 2A slaughterer. You are entitled to have your livestock slaughtered by the same slaughterer and he is required to continue to slaughter livestock for you. There will be a quota on the amount of livestock he may slaughter for you beginning April 29, 1951. This quota is found by first taking the number of pounds liveweight of each species of livestock which he slaughtered for you during each accounting period of 1950, as explained in section 4(c). This information will appear on OPS Form DO 1–5. This is your quota base. Your quota for each quota period will be found by multiplying the quota base for each species of livestock by the percentage which will be published in the supplement to this

regulation. Your Class 2 slaughterer is prohibited from slaughtering for you, and you are prohibited from giving him for slaughter, in any quota period, a greater number of pounds of any species of livestock than is provided for in the quota for that period. However, if the resulting quota is less than the live weight of one animal for any species, he may slaughter one animal of that particular species for you.

[Paragraph (b) amended by Amdts. 3 and 4]

(c) If the business of a Class 1 or Class 2 slaughterer is transferred to another person for continued operations, the person who acquired the slaughtering establishment (transferee) is required to continue slaughtering livestock for you just as if the transferee were the original slaughterer.

(d) If a Class 1 or Class 2 slaughterer or transferee, refuses or is unable to continue to slaughter for you, you may apply to the Washington Office if you are a Class 1A slaughterer, or to the Regional Office if you are a Class 2A slaughterer, for permission to have your livestock slaughtered by another Class 1 or Class 2 slaughterer. The application must be made in writing and must show:

(1) The name and address of the Class 1 or Class 2 slaughterer who formerly slaughtered for you;

(2) The reasons why such slaughterer will no longer slaughter for you; and

(3) The name and address of the Class 1 or Class 2 slaughterer whom you wish to perform the slaughtering for you.

If the Washington Office or the Regional Office finds that the slaughterer refuses or is unable to continue to slaughter for you it may transfer the quota base from such slaughterer to the Class 1 or Class 2 slaughterer named in the application. However, you must continue to serve the same general class of customers in the same areas that you served previously. If the application is granted the new Class 1 or Class 2 slaughterer and you shall be subject, with respect to that slaughter, to the provisions of paragraphs (a) and (b) of this section just as if the Class 1 or Class 2 slaughterer had formerly slaughtered livestock for you.

SEC. 9. *Adjustments or other relief.* (a) If you find that you need an adjustment or other relief under this regulation you may apply in writing to the Office of Price Stabilization. If you are a Class 1 or Class 1A slaughterer you apply to the Washington Office. If you are a Class 2 or Class 2A slaughterer you apply to the Regional Office. The application must show what adjustment or relief you are requesting and all the facts showing your need for the adjustment or relief. You must give any further information requested by the Office of Price Stabilization.

(b) If the Regional Office finds that you have shown a need for an adjustment, or other relief it will forward your application to the Washington Office with its recommendations for a decision. If the Washington Office finds that you have shown a need for an adjustment, or other relief it will take the necessary steps to grant the adjustment or other relief.

SEC. 10. *Sale or transfer of Class 1 or Class 2 slaughtering establishment.* (a) If you are a Class 1 or Class 2 slaughterer and wish to sell or transfer your slaughtering establishment to any other person for continued operation, you and the transferee must notify the Washington Office in the case of a Class 1 slaughtering establishment or the Regional Office in the case of a Class 2 slaughtering establishment. The notice must be given in writing at least ten days before the sale or transfer and must show:

(1) The name and address of the establishment and of the persons wishing to sell or transfer and the persons wishing to acquire it; and

(2) Whether the transferee will continue to operate the establishment in the same manner, and will maintain the pattern of distribution of meat from the slaughter of livestock in accordance with the policy of this regulation.

(b) If the Washington Office or the Regional Office finds that the establishment will continue to be operated in the same manner as before the transfer, and that the transferee will maintain the pattern of distribution in accordance with the policy of this regulation, it may, in the case of a Class 1 slaughterer, assign the registration and multipliers of the transferor to the transferee, and, in the case of a Class 2 slaughterer, assign the registration and quota bases of the transferor to the transferee for that establishment, and in each case shall cancel the registration of the transferor.

(c) The transferee of a Class 1 or Class 2 slaughterer may slaughter livestock during the balance of the quota period in which the transfer takes place only to the extent of the unused portion of the quota (including any carry-over) of the transferor for that period.

(d) No such transfer and assignment of registration, multipliers or quota bases may be made while your slaughtering establishment is under suspension by a State, County, Municipal or City government agency.

(e) If you are a Class 1 or Class 2 slaughterer and you wish to move all or part of your slaughtering business to another place, the moving is to be treated as a transfer to a different person under this section. For this purpose, the place from which the establishment is to be moved is considered the transferor and the place to which it is to be moved is considered the transferee.

(f) For the purpose of this regulation a sale or transfer of 10 percent or more of the stock of a corporation or the sale or transfer of 10 percent or more of the ownership of an establishment is considered a sale or transfer of the establishment.

SEC. 11. *Registration of new Class 1 and Class 2 slaughtering establishments.* (a) If you want to open a new Class 1 or Class 2 slaughtering establishment, you must apply to the Office of Price Stabilization for registration and multipliers or quota bases. Application will be granted only if you establish to the satisfaction of the Office of Price Stabilization that (1) the operation of the establishment is essential to meet civilian needs in the area in which it serves; (2) the products it will produce cannot be obtained from any other source, and (3) the operation of the new establishment will promote the National Defense by facilitating the production and orderly distribution of meat.

(b) If the application is made by a person who wishes to open a Class 1 slaughtering establishment, it must be made in writing to the Washington Office and must contain all the information relied upon to support the application. If the application is made by a person who wishes to open a Class 2 slaughtering establishment it must be made in writing to the Regional Office for the place where the applicant's establishment is or will be located, and must contain all the information relied upon to support the application. The applicant must also give any additional information requested by the Office of Price Stabilization.

(c) In the case of a Class 2 slaughterer the Regional Office must forward the entire file to the Washington Office, with its recommendation for decision, and take such other action as the Washington Office may authorize or direct.

(d) If you are Class 1 or Class 2 slaughterer who already has a quota you may not open another slaughtering establishment and use your quota there, unless you apply under this section and are given permission to do so.

SEC. 12. *Records, Reports and Inspections.* (a) (1) If you are a Class 1 slaughterer you must within ten (10) days after the end of each quota period mail a report. The U. S. Department of Agriculture will furnish you with Form LS–149 for the purpose of supplying certain information. You may use this form as your reporting form under this regulation by furnishing the information required by the OPS and mailing the form to the Department of Agriculture. For the quota periods April 1, 1951, to April 28, 1951, inclusive, and April 29, 1951, to May 26, 1951, inclusive, you must file the reports for OPS on Form LS–149 on the basis of two four-week operations instead of your usual accounting periods.

(2) If you are a Class 2 slaughterer and your quota bases for all species combined on an annual basis are 100,000 pounds live weight or over (as shown on your DO 1–2), you must within ten (10) days after the end of each quota period mail a report to the OPS Regional Office where you are registered. The report must be made in duplicate on OPS Form DO 1–6 and must contain all the information required by the form. For the quota period April 1, 1951 to April 28, 1951, inclusive, you must file your report on the basis of that four-week operation instead of your usual accounting period. For all subsequent periods you must report on the basis of your regular quota periods. If you have an interim quota period you must show separately on your report the amount of slaughter during the interim quota period.

[Paragraph (a) amended by Amdt. 4]

(b) In addition to other records or documents required to be kept by this regulation each Class 1 and Class 2 slaughterer must keep a record for each establishment, showing:

(1) The number of head and live weight of all cattle, calves, sheep and lambs and swine, stated separately for each such species, which he slaughtered during each quota period.

(2) The name and address of each person for whom he slaughtered cattle, calves, sheep and lambs or swine and the number and live weight of each such species of livestock slaughtered by him for each of said persons during each quota period;

(3) The number of pounds of meat resulting from his slaughter of livestock, stated separately for each species, transferred during each quota period.

(4) The number of pounds of meat resulting from his slaughter of livestock for other persons, stated separately for each species, and each person, transferred during each quota period.

(5) The number of cattle hides, kips, and calfskins and sheep and lamb pelts sold or transferred by the slaughterer during each quota period. Also the names and addresses of the persons to whom they were sold or transferred and the number of each kind transferred to each person.

(c) Each Class 1 and Class 2 slaughterer must keep a copy of his registration under this regulation and the records upon which his registration was based.

(d) Each Class 1 and Class 2 slaughterer must keep a record showing the name and address of each person for whom he slaughtered cattle, calves, sheep and lambs or swine; the dates on which he slaughtered for each such person; and the number and live weight of each such species of livestock which he slaughtered for each such person on each date. He must also keep the statements given to him as required by section 5 (c) and section 6 (b).

[Paragraph (d) amended by Amdt. 2]

(e) Every person subject to this order must keep all records required under this regulation for as long as this regulation shall remain in effect.

(f) All records kept by all persons under this regulation may be inspected by the Office of Price Stabilization through any authorized representative. The inspection may be made at a person's place of business during regular business hours. Every person required to keep records under this regulation must keep them available for such inspection.

(g) The Office of Price Stabilization, through any authorized representative may, at any reasonable time, inspect any place where livestock is or has been slaughtered, and any place at which a Class 1, Class 2 or Class 3 slaughterer is located.

(h) Information and documents obtained from any person under this regulation will not be disclosed, whether in response to a subpoena or in any other way, except to that person, unless the Director of the Office of Price Stabilization (or a representative of the Office of Price Stabilization designated by him) finds that the requested disclosure is not contrary to law and consents to it.

SEC. 13. *Additional prohibitions.* (a) this regulation prohibits, among other matters:

(1) Making false or misleading statements on any records or reports to the Office of Price Stabilization;

(2) Altering, defacing, mutilating, or destroying any document specified herein;

(3) Forging or counterfeiting any document specified herein;

(4) Acquiring, using, transferring or possessing a forged, counterfeited, altered, defaced, or mutilated document specified herein;

(5) Wrongfully withholding a document specified herein;

(6) Bribing, hindering, or interfering with authorized Office of Price Stabilization officials; and

(7) Attempting to do any act in violation of this regulation, directly or indirectly, or to aid or encourage another to do so.

SEC. 14. *Policy of this regulation.* It is the policy of this regulation to maintain the normal distribution channels of the livestock and meat industry in order to promote the national defense by facilitating the production and orderly distribution of meat. In accordance with this policy, if the Office of Price Stabilization finds that the base period was not representative of the relative slaughter of Class 1 slaughterers generally, it will adjust multipliers generally in order to obtain a representative relationship. The policy of this regulation requires not only that the slaughter of livestock be maintained in normal channels but also that meat be distributed from the slaughtering plant through the normal classes of customers within geographical areas. All slaughterers, custom slaughterers, wholesalers, processors, and industrial users may be required to reflect a pattern of acquisition and distribution of livestock and meat based on all or any part of the period beginning January 1, 1950.

SEC. 15. *Suppliers must sell meats to certain institutional users.* (a) Any operator of a prison, jail, insane asylum, home for delinquents, or other institutions of involuntary confinement, or a public or private orphanage, or a hospital or other establishment principally engaged in the care and treatment of the sick is an institutional user. Beginning February 27, 1951, an institutional user may, for each month starting with March 1951, give written notice, personally or by registered mail, to each person from whom meat was acquired during the calendar year 1950 (or if that person transferred his establishment, to any successor currently operating the establishment) containing all of the following information:

(1) The amount, quality and types of meat acquired from the supplier during each month of the calendar year 1950;

(2) The percentage that each such monthly amount bears to the total amount of meat acquired each month by the institutional user during 1950;

(3) The estimated number of persons to be fed during the month for which this notice is given;

(4) The number of persons fed during the corresponding month in 1950;

(5) The total amount of meat required by the institutional user for the month in which the statement is made.

(The information in (1) and (2) may be omitted from any subsequent notice pursuant to (a), to the same supplier or successor to whom a previous notice, containing that information, has been given pursuant to (a).)

(b) Each supplier or successor to whom a notice is given pursuant to (a) must, irrespective of any claimed inaccuracy in the notice, sell or transfer to that institutional user, upon such user's request, during the month specified in the notice, the quantity of meat determined under (c) for the current month, to the extent that such supplier or successor has meat available for sale or transfer regardless of any other contract, agreement or commitment (except any meat which he is required to set aside under this section for any other institutional user). Such sale or transfer of meat must be of the same, comparable or reasonably substitutable types as the institutional user acquired from that supplier during 1950. The supplier or successor, however, need not sell or transfer any such meat to the institutional user unless the user is willing to acquire such meat at ceiling prices established by the Office of Price Stabilization.

NOTE: Examples of comparable and reasonably substitutable types of meat are: (1) Steaks, roasts, or chops or any wholesale cuts from which they are obtained; (2) Ground meat or stew meat and the wholesale cuts from which they are obtained; (3) Smoked meats, such as bacon, ham, or picnics; (4) Dry salt meats, such as bellies, jowls, plates, or fatback; (5) Processed meat products, such as canned meats or sausage; (6) Offal, such as livers, hearts, or kidneys; and (7) Miscellaneous items, such as tails, heads, snouts or ears. Substitutions may be made of one item for another within any of these numbered categories but you cannot substitute an item in one numbered category to replace an item in another numbered category.

(c) The quantity of meat which the supplier or successor is required under (b) to sell or transfer to institutional users giving such notice shall be determined in the following way:

(1) Divide the amount of meat sold or transferred to the institutional user by the supplier during the corresponding month in 1950 by the number of persons fed during that month.

(2) Multiply the result in (1) by the estimated number of persons to be fed in the month for which the notice in (a) is given.

(3) The result in (2), or the amount requested by the institutional user, whichever is less, is the quantity of meat which must be sold or transferred to the institutional user during the month specified in the notice.

(d) If the institutional user, during the month covered by the notice has not acquired from the supplier or successor the quantity specified in (c) for that period, the supplier or successor, upon the institutional user's request, must sell or transfer to the institutional user during the first 15 days of the next month, all or any part of the quantity not so acquired by the institutional user.

(e) Any supplier or successor who refuses to sell or transfer meat to an institutional user in the amounts required by

this section may not sell or transfer any meat until he has sold or transferred to the institutional user meat in the amount required by this section. This prohibition is in addition to any action, penalties or proceedings which may be authorized by law for his failure to comply.

(f) Each notice given by the institutional user pursuant to (a) shall be deemed a certification to the Office of Price Stabilization as to the information contained in the notice.

(g) Each person to whom a notice is given pursuant to (a) must keep such notice at his establishment.

[Section 15 added by Amdt. 1]

NOTE: The record keeping and reporting requirements contained in this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 10, 1951.

[F. R. Doc. 51-5592; Filed, May 10, 1951; 5:08 p. m.]

[Distribution Regulation 2, Amendment 2]

DR 2—ALLOCATION RECORDS

MISCELLANEOUS AMENDMENTS

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.) Executive Order 10161 (15 F. R. 6105), Delegation of Authority by Secretary of Agriculture to Economic Stabilization Agency with respect to allocation of Meat (16 F. R. 1272) and Economic Stabilization Agency General Order 5 (16 F. R. 1273), this Amendment 2 to Distribution Regulation 2 is hereby issued.

Preamble. This amendment makes three changes in the record keeping requirements of Distribution Regulation 2. The first makes clear that the date shown on the invoice furnished to a buyer may be the date of shipment. The second eliminates the requirement that the classification "Stag" be shown on an invoice covering a sale of beef. This corresponds to a change in CPR 24. Similarly non-official graders need not stamp the class mark "Stag" on a beef carcass. Finally, the requirement that invoices be kept is made applicable to buyers as well as sellers.

It has been represented to the Director of Price Stabilization that the requirement of official grading of meat when that meat would be graded at the lowest grades involves unnecessary expense. In order to eliminate that expense, this amendment authorizes any person to perform his own grading and grade marking of meat where he grades at the two lowest grades for beef or at the lowest grade for veal, calf, lamb, yearling mutton or mutton.

The Director of Price Stabilization has also been advised that in a few areas there are still not available a sufficient number of official graders to grade all meat. As a result, because of the limitation on non-official graders in section 5 (g), a few slaughterers might be forced to grade as "Commercial", superior grades of beef, veal or calf, or forced to grade as "Utility", superior grades of lamb, yearling mutton or mutton. This amendment therefore postpones until May 21 the effective date for the imposition of the limitations in section 5 (g) on grading and grade marking by non-official graders where, and only where, an application for the services of an official grader has been duly made and a letter subsequently received from an authorized representative of the Department of Agriculture stating that an official grader will not be available.

AMENDATORY PROVISIONS

Distribution Regulation 2 is amended in the following respects:

1. Subparagraph (1) of section 3 (a) is amended to read as follows:

(1) The date of the sale, delivery, shipment or transfer to the buyer.

2. The next to the last paragraph of section 3 (a) is amended to read as follows:

You must deliver a copy of such invoice, memorandum of sale or sales slip to the buyer and you and the buyer must each keep a copy.

3. Section 5 (c) is amended by inserting before the first sentence the following: "You may grade a carcass or wholesale cut of beef, 'Cutter' or 'Canner' and may grade mark such carcass or wholesale cut '60' or '70', yourself. You may grade a carcass or wholesale cut of veal, calf, lamb, yearling mutton or mutton, 'Cull' and may grade mark such carcass or wholesale cut '60', yourself. If you wish to have beef graded higher than 'Cutter', or veal, calf, lamb, yearling mutton or mutton graded higher than 'Cull', you must, unless paragraph (d) or (e) is applicable, apply for the services of an official grader."

4. Section 5 (g) is amended by adding after the last sentence the following: "If you perform your own grading and grade marking pursuant to a letter from a duly authorized representative of the Department of Agriculture in accordance with section 5 (c), the limitations of this section 5 (g) shall not become effective with respect to you until May 21, 1951."

5. Section 8 (d) is amended to read as follows:

(d) "Class of meat" means with respect to beef carcasses, "bull".

6. Section 2 of Appendix A is amended to read as follows:

2. GRADE MARKS

The appropriate grade mark for each grade of beef shall be as follows:

Grade	Grade mark	
	By official graders	By other than official graders
Prime	Prime	[1] 10
Choice	Choice	[1] 20
Good	Good	[1] 30
Commercial	Commercial	40
Utility	Utility	50
Cutter	Cutter	60
Canner	Canner	70

[1] Not to be used on and after May 21, 1951.

The word "BULL" where applicable shall be stamped on each wholesale cut.

7. The table under section 2 of Appendix B is amended to read as follows:

Grade	Grade mark	
	By official graders	By other than official graders
Prime	Prime	[1] 10
Choice	Choice	[1] 20
Good	Good	[1] 30
Commercial	Commercial	40
Utility	Utility	50
Cull	Cull	60

[1] Not to be used on and after May 21, 1951, except when carcass with skin on has been graded by an official grader.

8. The table under section 2 of Appendix C is amended to read as follows:

Grade	Grade mark	
	By official graders	By other than official graders
Prime	Prime	[1] 10
Choice	Choice	[1] 20
Good	Good	[1] 30
Utility	Utility	50
Cull	Cull	60

[1] Not to be used on and after May 21, 1951.

(Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.)

Effective date. The provisions of this amendment shall be effective on and after May 12, 1951.

NOTE: All record keeping and reporting requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5625; Filed, May 11, 1951; 12:03 p. m.]

Chapter VI—National Production Authority, Department of Commerce

[NPA Order M-3, as amended May 11, 1951]

M-3—COLUMBIUM- AND TANTALUM-BEARING STEELS—PRODUCTION AND USE

This order as amended is found necessary and appropriate to promote the national defense and is issued pursuant to the authority granted by section 101 of the Defense Production Act of 1950. In the formulation of this order as amended there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations.

This amendment affects NPA Order M-3, as amended April 6, 1951, by amending section 4; by amending section 6 and redesignating it as 6 (a); and by adding new paragraphs (b) and (c) to section 6. As so amended, NPA Order M-3 reads as follows:

Sec.
1. What this order does.
2. DO ratings required.

Sec.
3. Use of substitutes.
4. Restrictions.
5. Conservation of scrap.
6. Exceptions.
7. Application for adjustment or exception.
8. Communications.
9. Records and reports.
10. Violations.

AUTHORITY: Sections 1 to 10 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong.; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61.

SECTION 1. *What this order does.* This order applies to columbium- and tantalum-bearing steels and to the producers, dealers and users thereof. In view of the fact that columbium, ferro-columbium and ferro-columbium-tantalum are in short supply, it is essential that the production, distribution and use of columbium- and tantalum-bearing steels be limited to DO rated orders and NPA directives. This order, in addition, prohibits the use of columbium-bearing steels in any application or process where columbium - tantalum - bearing steels may be used as a substitute for columbium-bearing steels; forbids the use of either if the use of any other substitute will meet the requirements of the use to be made of the material; and restricts the use of columbium and tantalum in the production of steel.

SEC. 2. *DO ratings required.* Except as may be otherwise ordered by NPA, no columbium- or columbium-tantalum-bearing steels shall be produced, sold, delivered, or purchased except pursuant to DO rated orders or NPA directives: *Provided,* That with respect to columbium- or columbium-tantalum-bearing steels, the rating DO–01 shall be valid for deliveries on and after July 1, 1951, only when supported by a certification that delivery of the quantity specified as and when ordered has been approved and authorized by the Aircraft Production Resources Agency. Such certification shall be as follows:

Certified as approved by APRA.

Such certification shall constitute a representation by the purchaser to the supplier and to NPA that the purchaser has been duly authorized by the Aircraft Production Resources Agency to accept delivery of such steel, and is entitled to accept such delivery as permitted in this order. The certification required by this section shall be in addition to the certification required by NPA Reg. 2.

SEC. 3. *Use of substitutes.* No columbium-bearing steel shall be used or incorporated in any product or material if columbium-tantalum-bearing steel will meet the requirements for the use to be made of the product or material. In no case shall any columbium- or columbium-tantalum-bearing steel be used or incorporated in any product or material if any substitute therefor will meet the requirements for the use to be made of the product or material.

SEC. 4. *Restrictions.* Subject to the exceptions of section 6 of this order, no person, in the production of any columbium- or columbium-tantalum-bearing steels, shall use more columbium or columbium-tantalum than is reasonably required to assure a ratio between columbium or columbium-tantalum and carbon in such steels greater than 8 to 1 as a minimum: *Provided, however,* That in cases where the material specifications require corrosion-testing of sensitized specimens, no person shall use more columbum or columbium-tantalum in such steel products than is reasonably required to assure that such steels will meet the specific requirements with respect to corrosion-testing: *And provided further,* That when practical melting schedules appropriate to achieve maximum production necessitate the inclusion in single heat lots of steels requiring corrosion-testing with steels not requiring such testing, such amount of columbium or columbium-tantalum may be used as will assure steels which will meet the highest corrosion-testing requirements of any such steels included in any such single heat lot.

SEC. 5. *Conservation of scrap.* No person shall dispose of any columbium- or columbium-tantalum-bearing scrap which is fit for remelting except for use in the production of columbium- or columbium-tantalum-bearing steel.

SEC. 6. *Exceptions.* (a) This order shall not prohibit the completion of the production and the delivery of materials or products containing columbium or tantalum in any form ordered and accepted prior to April 6, 1951, which, by reason of the condition or nature of the materials or products, cannot, without excessive loss of yield, be used in connection with DO rated orders; nor shall it prohibit the use, in filling DO rated orders, of columbium-bearing steel or columbium-tantalum-bearing steel held on or before April 6, 1951, in the inventory of a producer or fabricator of steel products.

(b) The restrictions of section 4 of this order shall not apply to the production of welding rods.

(c) Any DO–01 rated order for columbium- or columbium-tantalum-bearing steels, authorized by the Aircraft Production Resources Agency pursuant to section 2 of this order, is exempt from the restrictions of section 4 of this order to the extent required by the specifications contained in such APRA authorization.

SEC. 7. *Application for adjustment or exception.* Any person affected by any provision of this order may file an application for an adjustment or exception upon the ground that such provision works an exceptional hardship upon him not suffered generally by others, or that its enforcement against him would not be in the interest of the national defense program. All such applications should be addressed to National Production Authority, Washington 25, D. C., Ref: M–3.

SEC. 8. *Communications.* All communications concerning this order shall be addressed to National Production Authority, Washington 25, D. C., Ref: M–3.

SEC. 9. *Records and reports.* (a) Each person participating in any transaction covered by this order shall retain in his possession for at least 2 years records of receipts, deliveries, inventories, and use, in sufficient detail to permit an audit that determines for each transaction that the provisions of this order have been met. This does not specify any particular accounting method and does not require alteration of the system of records customarily maintained, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals.

(b) All records required by this order shall be made available at the usual place of business where maintained for inspection and audit by duly authorized representatives of the National Production Authority.

(c) Persons subject to this order shall make such records and submit such reports to the National Production Authority as it shall require, subject to the terms of the Federal Reports Act. (5 U. S. C. 139–139F.)

SEC. 10. *Violations.* Any person who wilfully violates any provision of this order or any other order or regulation of NPA or wilfully conceals a material fact or furnishes false information in the course of operation under this order is guilty of a crime and upon conviction may be punished by fine or imprisonment or both. In addition, administrative action may be taken against such person to suspend his privileges of making or receiving further deliveries of materials or using facilities under priority or allocation control and to deprive him of further priorities assistance.

This order as amended shall take effect on May 11, 1951.

NATIONAL PRODUCTION AUTHORITY,
MANLY FLEISCHMANN,
Administrator.

[F. R. Doc. 51–5606; Filed, May 11, 1951; 11:27 a. m.]

[NPA Order M–4 as amended May 3, 1951]

M–4—CONSTRUCTION

This amendment is found necessary and appropriate to promote the national defense and is issued pursuant to authority granted by section 101 of the Defense Production Act of 1950. In the formulation of this amendment, consultation with industry representatives was found to be impracticable due to the necessity for immediate action.

NPA Order M–4 is amended in the following respects:

1. A new paragraph (3) shall be inserted in section 5 (b), to read as follows:

(3) In addition, alterations, additions, improvement, or modernization may be made in the case of an industrial plant, factory, or facility, without authorization from the National Production Authority: *Provided,* That, after completion, the total use of steel in such alteration, addition, improvement, or modernization, both in the forms and shapes as defined in NPA Order M–1 and

also reinforcing steel, will not exceed 25 tons.

2. A new paragraph (f) is added to section 5, to read as follows:

(f) Construction of an industrial plant, facility, or factory for which a certificate of necessity has been issued pursuant to the provisions of the Revenue Act of 1950, or a loan made pursuant to section 302 of the Defense Production Act of 1950.

3. The category listing "Gymnasium (except where it is a part of an educational institution and is to be used primarily for instructional purposes in physical education and training)" in section 15 (List A) shall be deleted and the following substituted therefor: "Gymnasium."

4. The category listing "Printing or duplicating establishment" in section 16 (List B) shall be deleted and the following substituted therefor: "Printing or duplicating establishment including, but not limited to, facilities for the publication of newspapers, books, and periodicals."

5. The category listing "Storage, distribution, display, or sale of consumer goods (for example, retail store, shopping center, wholesale establishment, gasoline filling station, drugstore, soda fountain, florist shop, greenhouse), except wholesale food establishment, wholesale supply facility for fuel oil, gasoline or coal, gas distribution system, pipeline" in section 16 (List B) shall be deleted and the following substituted therefor: "Storage, distribution, display, or sale of consumer goods (for example, retail store, shopping center, wholesale establishment, gasoline filling station, drugstore, soda fountain, florist shop, greenhouse)."

(Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong., sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61)

This amendment shall take effect on May 11, 1951.

NATIONAL PRODUCTION AUTHORITY,
MANLY FLEISCHMANN,
Administrator.

[F. R. Doc. 51-5603; Filed, May 11, 1951; 11:26 a. m.]

[NPA Order M-35, as amended May 11, 1951]

M-35—CATTLEHIDES, CALFSKINS, AND KIPS: ALLOCATION OF

This order is found necessary and appropriate to promote the national defense and is issued pursuant to the authority granted by section 101 of the Defense Production Act of 1950. In the formulation of this order, consultation with industry representatives has been rendered impracticable due to the necessity for immediate action.

This amendment affects NPA Order M-35 as amended February 28, 1951, as follows: It adds paragraph (j) to section 2, and adds a new sentence at the end of section 5. As so amended, NPA Order M-35 reads as follows:

Sec.
1. What this order does.
2. Definitions.
3. Restrictions on purchase, sale, and delivery of domestic cattlehides, calfskins, and kips; allocation by NPA.
4. Restrictions upon certain cuttings of untanned cattlehides.
5. Effect upon other NPA regulations and orders.
6. Applications for adjustment or exception.
7. Records.
8. Audit and inspection.
9. Reports.
10. Communications.
11. Violations.

AUTHORITY: Sections 1 to 11 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong.; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61.

SECTION 1. *What this order does.* The purpose of this order is to conserve and provide for an equitable distribution of cattlehides, calfskins, and kips so as best to serve the interests of the national defense. It prohibits, subject to limited exceptions, the sale and delivery of such hides and skins unless specifically allocated by authorizations to be issued by NPA.

SEC. 2. *Definitions.* As used in this order:

(a) "Person" means any individual, corporation, partnership, association, or any other organized group of persons, and includes agencies of the United States or any other government.

(b) "Tanner" means a person engaged in the business of tanning, dressing, or similarly processing hides or skins and who, in each month during the period of 6 months commencing September 1, 1950, put into process 100 or more cattlehides, calfskins, or kips, or in March 1951, or in any calendar month thereafter, puts into process 100 or more of such hides or skins.

(c) "Contractor or converter" means a person engaged in the business of causing hides or skins to be tanned or dressed for his account in any tannery not owned or controlled by him, and who in each month during the period of 6 months commencing September 1, 1950, caused 100 or more cattlehides, calfskins, or kips to be put into process for his account, or in March 1951, or in any calendar month thereafter, causes 100 or more of such hides or skins to be put into process for his account.

(d) "Collector" means a person, including a dealer, engaged in the business of acquiring from others untanned cattlehides, calfskins, or kips for resale, or removing cattlehides, calfskins, or kips from cattle or calves not slaughtered by him.

(e) "Producer" means a person engaged in the business of slaughtering cattle or calves.

(f) "Cattlehide," "calfskin," and "kip" mean the raw hide or skin of any bull, stag, steer, ox, cow, heifer, calf, or buffalo, but these terms do not include slunks, splits, or glue stock.

(g) "Put into process" means the first step in the conversion of raw hides and skins into leather or "rawhide" at a tannery.

(h) "Domestic cattlehide, calfskin, or kip" means any such hide or skin produced in the United States or any of its territories or insular possessions.

(i) "NPA" means National Production Authority.

(j) "Practicable minimum working inventory" means such inventory as defined in section 10.4 of NPA Reg. 1.

SEC. 3. *Restrictions on purchase, sale, and delivery of domestic cattlehides, calfskins, and kips: allocation by NPA.* (a) After the effective date of this order, no person shall sell, deliver (including delivery to a tannery owned or controlled by him), purchase, or accept delivery of any untanned domestic cattlehide, calfskin, or kip, the ownership or possession of which was acquired on or after February 5, 1951, except to the extent that the purchaser shall be specifically authorized by NPA on Form NPAF-35 or Form NPAF-37: *Provided, however,* That the following may be effected without such authorization:

(1) The sale and delivery of such hides or skins between domestic collectors and between a domestic producer and a domestic collector for purposes of resale within the United States.

(2) The sale and delivery to and the purchase and acceptance of delivery by any person, other than a tanner or contractor, of less than 100 cattlehides, calfskins, or kips in any calendar month.

(3) The sale and delivery to and purchase and acceptance of delivery by any person of the number of domestic cattlehides, calfskins, or kips for export to any place outside the United States, other than Canada, pursuant to a license to export such hides or skins granted to him by the Office of International Trade, provided that such person duly signs a certification on his purchase order delivered to the seller of such hides or skins, as follows:

Certified under M-35

Such certification constitutes a representation to the seller and to NPA that the purchaser is authorized under the provisions of this order to accept delivery of such hides or skins and that he has received such a license for their export.

(b) An application for the purchase of domestic cattlehides shall be made on Form NPAF-34 and an application for the purchase of domestic calfskins or kips shall be made on Form NPAF-36. Either or both such forms, as the case may be, shall be filed with NPA on or before March 10, 1951, and on or before the 10th day of each succeeding month.

(c) Each person receiving an authorization from NPA to purchase domestic cattlehides, calfskins, or kips, either on Form NPAF-35 or NPAF-37, shall list in a copy thereof all his purchases made pursuant to such authorization, shall furnish all other information required thereby, and shall return such copy to NPA within 10 days after the date of the expiration of such authorization, specified therein.

(d) In any action which may be taken pursuant to paragraph (a) of this section, it will be the policy of NPA, so far

as practicable, to grant authorizations to purchase so that:

(1) A tanner or contractor may obtain domestic cattlehides, calfskins, or kips in the proportion that his total wettings in 1950 of cattlehides, calfskins, and kips (including imports), respectively, bear to the total wettings of cattlehides, calfskins, and kips (including imports), respectively, of all contractors and tanners combined in 1950, except that authorizations to tanners or contractors having more than a practicable minimum working inventory or who do not meet a specific defense program as may be directed by NPA, may be reduced or omitted; and

(2) A contractor will contract with the same tanner or tanners, as the case may be, and in the same proportions, as in the most recent period prior to the effective date of this order when such contractual arrangements existed.

SEC. 4. *Restrictions upon certain cuttings of untanned cattlehides.* No producer or collector shall cut off bellies or shoulders of untanned cattlehides except for a purchaser specifically authorized in writing by NPA to purchase hides with such portions cut off.

SEC. 5. *Effect upon other NPA regulations and orders.* This order supersedes NPA Order M-35, effective February 5, 1951, but nothing herein shall affect any liabilities incurred under such superseded order. If any provision of this order is in conflict with NPA Reg. 1 or NPA Reg. 2, such provision of this order shall govern. Notwithstanding the provisions of NPA Reg. 2, a DO rating shall not be applied or extended to obtain delivery of any cattlehide, calfskin, or kip.

SEC. 6. *Applications for adjustment or exception.* Any person affected by any provision of this order may file with NPA a request for adjustment or exception upon the ground that such provision works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry or that its enforcement against him would not be in the interests of national defense or in the public interest. In considering requests for adjustment which claim that the public interest is prejudiced by the application of any provision of this order, consideration will be given to the requirements of public health and safety, civilian defense, and dislocation of labor and resulting unemployment that would impair the defense program. Each such request shall be in writing and shall set forth all pertinent facts, the nature of the relief sought, and the justification therefor.

SEC. 7. *Records.* Each person participating in any transaction covered by this order shall retain in his possession for at least 2 years records of receipts, deliveries, inventories, and use, in sufficient detail to permit an audit that determines for each transaction that the provisions of this order have been met. This does not specify any particular accounting method and does not require alteration of the system of records customarily maintained, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals.

SEC. 8. *Audit and inspection.* All records required by this order shall be made available at the usual place of business where maintained for inspection and audit by duly authorized representatives of NPA.

SEC. 9. *Reports.* (a) Regardless of whether he files any application referred to in section 3 (b) of this order, every contractor shall report to NPA each month on Form NPAF-34 and Form NPAF-36, his wettings and raw stock, and every tanner shall report to NPA each month on such forms, his wettings and raw stock, if any, and his leather production, for the calendar month immediately preceding the month in which such reports are required by this order to be filed. Either or both such forms, as the case may be, shall be filed with NPA on or before March 10, 1951, and on or before the 10th day of each month thereafter. All other information required by such forms shall be furnished.

(b) Persons subject to this order shall make such records and submit such other reports to NPA as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U. S. C. 139–139F).

SEC. 10. *Communications.* All communications and reports concerning this order shall be addressed to National Production Authority, Washington 25, D. C., Ref: M-35.

SEC. 11. *Violations.* Any person who wilfully violates any provision of this order or any other order or regulation of NPA or who wilfully conceals a material fact or furnishes false information in the course of operation under this order is guilty of a crime and, upon conviction, may be punished by fine or imprisonment or both. In addition, administrative action may be taken against such person to suspend his privilege of making or receiving further deliveries of materials or using facilities under priority or allocation control and to deprive him of further priorities assistance.

NOTE: All reporting and record-keeping requirements of this order have been approved by the Bureau of Budget in accordance with the Federal Reports Act of 1942.

This order as amended shall take effect on May 11, 1951.

NATIONAL PRODUCTION AUTHORITY,
MANLY FLEISCHMANN,
Administrator.

[F. R. Doc. 51-5607; Filed, May 11, 1951; 11:27 a. m.]

[NPA Order M-45, Schedule 5]

M-45—ALLOCATION OF CHEMICALS AND ALLIED PRODUCTS

SCHEDULE 5—POLYETHYLENE

This schedule is found necessary and appropriate to promote the national defense and is issued under NPA Order M-45 pursuant to the authority of section 101 of the Defense Production Act of 1950. In the formulation of this schedule there has been consultation with industry representatives, and consideration has been given to their recommendations.

Sec.
1. Definition.
2. General provisions.
3. Filing date and unit of measure.
4. Termination of NPA authorization to use.
5. Limitation on inventory.
6. Certified statement of proposed use.
7. Supplier's application on Form NPAF-47.
8. Communications.

AUTHORITY: Sections 1 to 8 issued under sec. 704, Pub. Law 774, 81st Cong.

SECTION 1. *Definition.* "Polyethylene" means the primary plastic form of polymerized ethylene, and does not include secondary, scrap, or reclaimed material.

SEC. 2. *General provisions.* Polyethylene is hereby made subject to NPA Order M-45 as an Appendix B material. The initial allocation date is June 1, 1951. The allocation period is the calendar month. The small order exemption without use certificate is 500 pounds per person per month.

SEC. 3. *Filing date and unit of measure.* The filing date for Form NPAF-47 is the 20th day of the month before the proposed delivery month. The unit of measure is the pound.

SEC. 4. *Termination of NPA authorization to use.* There shall be no limitation of time on any NPA authorization to use polyethylene.

SEC. 5. *Limitation on inventory.* The provisions of NPA Reg. 1 shall apply to polyethylene.

SEC. 6. *Certified statement of proposed use.* Every person who purchases polyethylene from a supplier is required to enter on or attach to each purchase order a certified statement of proposed use as provided in section 7 of NPA Order M-45. Where more than one end-use is listed for a particular product a separate quantity should be specified for each such end-use.

SEC. 7. *Supplier's application on Form NPAF-47.* Every supplier of polyethylene is required to apply on Form NPAF-47 for authorization to deliver or to use any quantity of polyethylene. General instructions on the preparation of Form NPAF-47 are set forth in Appendix D of NPA Order M-45. Each supplier should specify in the space in the heading designated "grade" the physical form of the material as flake or granular. In column (2), each supplier should specify product and end-use, as for example, "drum liners for chemicals," "insulation for telephone or telegraph wires," and so forth. Where more than one end-use is listed for a particular product a separate quantity should be specified for each such end-use.

SEC. 8. *Communications.* All communications concerning this schedule shall be addressed to the National Production Authority, Chemical Division, Washington 25, D. C., Ref: M-45, Sched. 5.

NOTE: All reporting requirements of this schedule have been approved by the Bureau

of the Budget, in accordance with the Federal Reports Act of 1942 (5 U. S. C. 139–139F).

This schedule shall take effect, except as otherwise provided herein, on May 11, 1951.

NATIONAL PRODUCTION AUTHORITY,
MANLY FLEISCHMANN,
Administrator.

[F. R. Doc. 51-5604; Filed, May 11, 1951; 11:27 a. m.]

[NPA Order M-45, Schedule 6]

M-45—ALLOCATION OF CHEMICALS AND ALLIED PRODUCTS

SCHEDULE 6—RESORCINOL

This schedule is found necessary and appropriate to promote the national defense and is issued under NPA Order M-45 pursuant to the authority of section 101 of the Defense Production Act of 1950. In the formulation of this schedule there has been consultation with industry representatives and consideration has been given to their recommendations.

Sec.
1. Definition.
2. General provisions.
3. Filing date and unit of measure.
4. Termination of NPA authorization to use.
5. Limitation on inventory.
6. Purchaser's application on Form NPAF-45.
7. Supplier's application on Form NPAF-46.
8. Communications.

AUTHORITY: Sections 1 to 8 issued under sec. 704, Pub. Law 774, 81st Cong.

SECTION 1. *Definition.* "Resorcinol" means meta-dihydroxy benzene or meta-hydroxy phenol.

SEC. 2. *General provisions.* Resorcinol is hereby made subject to NPA Order M-45 as an Appendix A material. The initial allocation date is June 1, 1951. The allocation period is the calendar month. There is no small order exemption.

SEC. 3. *Filing date and unit of measure.* The filing date for Form NPAF-45 is the 15th day of the month before the proposed delivery month. The filing date for Form NPAF-46 is the 20th day of the month before the proposed delivery month. The unit of measure is the pound.

SEC. 4. *Termination of NPA authorization to use.* An authorization by NPA to any person to use resorcinol shall terminate at the close of the calendar month immediately following the allocation period for which such use was authorized.

SEC. 5. *Limitation on inventory.* No person (notwithstanding any allocation made to him) shall place an order for resorcinol calling for delivery, and no person shall accept delivery of resorcinol, at a time when his inventory of resorcinol exceeds, or by acceptance of such delivery would be made to exceed, his minimum requirements for the allocation period in which delivery is sought at his then scheduled rate and method of operation.

SEC. 6. *Purchaser's application on Form NPAF-45.* Every person who purchases resorcinol from a supplier is required to apply for authorization to accept delivery on Form NPAF-45. General instructions on the preparation of Form NPAF-45 are set forth in Appendix D of NPA Order M-45. Each applicant should specify in column (1) the grade as U. S. P., recrystallized or technical; should enter in column (2) the quantity required for each end-use, and should show in column (3) the product to be made from the resorcinol such as adhesives, dye stuffs, pharmaceuticals, and so forth, specifying the chemical name, if any, for each such product. In column (4) he should show the ultimate product end-use such as tire cord, arctic tents, ships, and so forth, and DO rating, Government contract number, and specification number, if any.

SEC. 7. *Supplier's application on Form NPAF-46.* Every supplier of resorcinol is required to apply on Form NPAF-46 for authorization to deliver or to use any quantity of resorcinol. General instructions on the preparation of Form NPAF-46 are set forth in Appendix D of NPA Order M-45. Each supplier should specify in column (3) the grade as U. S. P., recrystallized or technical.

SEC. 8. *Communications.* All communications concerning this schedule shall be addressed to the National Production Authority, Washington 25, D. C., Ref.: M-45, Sched. 6.

NOTE: All reporting requirements of this schedule have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942 (5 U. S. C. 139–139F).

This schedule shall take effect, except as otherwise provided herein, on May 11, 1951.

NATIONAL PRODUCTION AUTHORITY,
MANLY FLEISCHMANN,
Administrator.

[F. R. Doc. 51-5605; Filed, May 11, 1951; 11:27 a. m.]

Chapter XV—Federal Reserve System

[Regulation X]

REG. X—REAL ESTATE CREDIT

REGISTRATION

Effective May 11, 1951, paragraph (b) of section 3 of Regulation X is amended to read as follows:

(b) *Registration.* Every person engaged in the business of extending real estate credit with respect to residences, residential property, multi-unit residential property or non-residential property shall be deemed to be registered pursuant to this regulation until such time as the Board, by public announcement [11a] may require registration statements to be filed by all, or any specified classes of, such persons. Should the Board require such registration statements, a person shall continue to be registered after the time such statements are required only if he shall have complied with the requirements of the Board's announcement. Every person who is registered in accordance with the provisions of this paragraph is referred to in this regulation as a "Registrant."

2. (a) The above amendment is issued by the Board of Governors of the Federal Reserve System with the concurrence of the Housing and Home Finance Administrator, under authority of the "Defense Production Act of 1950", approved September 8, 1950, and Executive Order No. 10161, dated September 9, 1950.

The purpose of this amendment is to provide for the registration by June 30, 1951, of all persons engaged on May 31, 1951, in the business described in paragraph (b) of section 3 of Regulation X, and for the registration within 30 days of all persons who become so engaged after May 31, 1951.

(b) Section 709 of the Defense Production Act of 1950 provides that the functions exercised under such act shall be excluded from the operations of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of section 3 thereof.

In amending this regulation and in accordance with the requirements of the aforesaid section 709, there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations.

(Sec. 704, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp. Interprets or applies sec. 602, Pub. Law 774, 81st Cong.)

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
[SEAL] S. R. CARPENTER,
Secretary.

[F. R. Doc. 51-5464; Filed, May 11, 1951; 8:45 a. m.]

[11a] Pursuant to public announcement made by the Board on May 11, 1951, all persons so engaged in the business described above on May 31, 1951, must register with the nearest Federal Reserve Bank or Branch not later than June 30, 1951, on Form F. R. 269, which may be obtained at any such Bank or Branch. All persons who thereafter become so engaged in business must register within 30 days.

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Part 51]

U. S. STANDARDS FOR SWEETPOTATOES FOR CANNING

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the United States Department of Agriculture is considering the issuance of United States Standards for Sweetpotatoes for Canning under the authority contained in the Department of Agriculture Appropriation Act, 1951 (Pub. Law 759, 81st Cong., approved September 6, 1950).

All persons who desire to submit written data, views or arguments for consideration in connection with the proposed standards should file the same with M. W. Baker, Deputy Director, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, South Building, Washington 25, D. C., not later than 5:30 p. m. e. s. t. on the thirtieth (30) day after the publication of this notice in the FEDERAL REGISTER.

The proposed standards are as follows:

§ 51.372 *Standards for sweetpotatoes for canning*—(a) *Grades*—(1) *U. S. No. 1.* U. S. No. 1 consists of sweetpotatoes of similar type which are firm, fairly well shaped, free from soft rot, black rot, cull material, freezing injury, scald, cork or other internal discoloration, and free from damage caused by dry rot other than black rot, other diseases, bruises, cuts, growth cracks, pithiness, wireworm, weevil, other insects, stringiness, sunburn, mechanical or other means.

(i) Unless otherwise specified, each sweetpotato shall be not more than 5 inches in length, or more than 2 inches in diameter or less than 1½ inches in diameter. (See Tolerances, paragraph (c) of this section.)

(2) *U. S. No. 2.* U. S. No. 2 consists of sweetpotatoes of similar type which are firm, not badly misshapen, free from soft rot, black rot, cull material, freezing injury, scald, and free from serious damage caused by dry rot other than black rot, other diseases, bruises, cuts, cork or other internal discoloration, growth cracks, pithiness, wireworm, weevil, other insects, stringiness, sunburn, mechanical or other means.

(i) Unless otherwise specified, each sweetpotato shall be not more than 9 inches in length, or more than 2¼ inches in diameter or less than 1¼ inches in diameter. (See Tolerances, paragraph (c) of this section.)

(b) *Culls.* Culls consists of sweetpotatoes which fail to meet the requirements of either U. S. No. 1 or U. S. No. 2 grades.

(c) *Tolerances.* In the application of these standards, it is assumed that in most instances sellers will not sort their sweetpotatoes into separate lots of U. S. No. 1 and U. S. No. 2 grades before delivery to the buyer. In such cases there is no need for tolerances. If the contract between the buyer and seller calls for the delivery of lots containing only one grade, such as U. S. No. 1 or U. S. No. 2, or a combination of U. S. No. 1 and U. S. No. 2 grades, then unless otherwise specified, a tolerance of 10 percent, by weight, shall be allowed for sweetpotatoes which fail to meet the requirements of the grade, other than for size and cull material: *Provided,* That, not more than one-fifth of this amount, or 2 percent, shall be allowed for sweet potatoes affected by soft rot or black rot. In addition, not more than 2 percent, by weight, shall be allowed for cull material. An additional tolerance of 10 percent, by weight, shall be allowed for sweetpotatoes which fail to meet the specified size requirements: *Provided,* That, not more than one-half of this amount, or 5 percent, shall be allowed for sweetpotatoes below the specified minimum diameter.

(d) *Definitions.* (1) "Similar type" means that the sweetpotatoes have the same type of flesh and that the flesh of the sweetpotatoes does not show material variation in color. For example, dry type shall not be mixed with moist type and white fleshed varieties shall not be mixed with yellow- or orange-fleshed varieties.

(2) "Firm" means that the sweetpotato is not soft, flabby or excessively shriveled.

(3) "Fairly well shaped" means that the sweetpotato is not materially curved, crooked, constricted, grooved, flattened, or otherwise materially misshapen for canning purposes.

(4) "Cull material" means pieces of sweetpotatoes, vines, root crowns, sprouts, secondary rootlets, loose dirt, adhering caked dirt or other foreign matter. Sweetpotatoes with attached vines, strings, root crowns, sprouts, secondary rootlets, and adhering caked dirt shall not be scored against U. S. No. 1 or U. S. No. 2 grades, but such vines, root crowns, sprouts, secondary rootlets, and adhering caked dirt shall be removed from the sweetpotato and scored as cull material.

(5) "Damage" means any injury or defect which materially affects the edible or canning quality, or which cannot be removed in the ordinary process of trimming without a loss of more than 5 percent of the total weight of the sweetpotato, including peel covering the defective area.

(6) "Badly misshapen" means that the sweetpotato is so curved, crooked, grooved, constricted, flattened, or otherwise misshapen to the extent that the canning quality is seriously affected.

(7) "Serious damage" means any injury or defect which seriously affects the edible or canning quality, or which cannot be removed in the ordinary process of trimming without a loss of more than 10 percent of the total weight of the sweetpotato, including peel covering the defective area.

(8) "Diameter" means the greatest dimension of the sweetpotato measured at right angles to the longitudinal axis.

Done at Washington, D. C., this 9th day of May 1951.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator, Production and Marketing Administration.

[F. R. Doc. 51-5511; Filed, May 11, 1951; 8:49 a. m.]

[7 CFR, Part 51]

U. S. STANDARDS FOR SWEETPOTATOES FOR DICING OR PULPING

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the United States Department of Agriculture is considering the issuance of United States Standards for Sweetpotatoes for Dicing or Pulping under the authority contained in the Department of Agriculture Appropriation Act, 1951 (Pub. Law 759, 81st Cong., approved September 6, 1950).

All persons who desire to submit written data, views or arguments for consideration in connection with the proposed standards should file the same with M. W. Baker, Deputy Director, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, South Building, Washington 25, D. C., not later than 5:30 p. m. e. s. t. on the thirtieth (30) day after the publication of this notice in the FEDERAL REGISTER.

The proposed amendments are as follows:

§ 51.373 *Standards for sweetpotatoes for dicing or pulping*—(a) *Grades* (1)—*U. S. No. 1.* U. S. No. 1 consists of sweetpotatoes of similar type which are firm, not badly misshapen, free from soft rot, black rot, cull material, freezing injury, scald, cork or other internal discoloration, and free from damage caused by dry rot other than black rot, other diseases, bruises, cuts, growth cracks, pithiness, wireworm, weevil, other insects, stringiness, sunburn, mechanical or other means. (See Size and Tolerances, paragraphs (c) and (d) of this section.)

(2) *U. S. No. 2.* U. S. No. 2 consists of sweetpotatoes of similar type which are firm, free from soft rot, black rot, cull material, freezing injury, and free from serious damage caused by dry rot other than black rot, other diseases, bruises, cuts, cork or other internal discoloration, growth cracks, pithiness, scald, wireworm, weevil, other insects, stringiness, sunburn, mechanical or other means. (See Size and Tolerances, paragraphs (c) and (d) of this section.)

(b) *Culls.* Culls consists of sweetpotatoes which fail to meet the require-

ments of either U. S. No. 1 or U. S. No. 2 grades.

(c) *Size.* The minimum or the minimum and maximum sizes for the foregoing grades may be specified by agreement between buyer and seller. Size shall be stated in terms of diameter.

(d) *Tolerances.* In the application of these standards, it is assumed that in most instances sellers will not sort their sweetpotatoes into separate lots of U. S. No. 1 and U. S. No. 2 grades before delivery to the buyer. In such cases there is no need for tolerances. If the contract between buyer and seller calls for the delivery of lots containing only one grade, such as U. S. No. 1 or U. S. No. 2, or a combination of U. S. No. 1 and U. S. No. 2 grades, then unless otherwise specified, a tolerance of 10 percent, by weight, shall be allowed for sweetpotatoes which fail to meet the requirements of the grade, other than for size and cull material: *Provided,* That, not more than one-fifth of this amount or 2 percent, shall be allowed for sweetpotatoes affected by soft rot or black rot. In addition, not more than 2 percent, by weight, shall be allowed for cull material. An additional tolerance of 15 percent, by weight, shall be allowed for sweetpotatoes which fail to meet the specified size requirements: *Provided,* That, not more than one-third of this amount, or 5 percent, shall be allowed for sweet potatoes below the specified minimum diameter.

(e) *Definitions.* (1) "Similar type" means that the sweetpotatoes have the same type of flesh and that the flesh of the sweetpotatoes does not show material variation in color. For example, dry type shall not be mixed with moist type and white-fleshed varieties shall not be mixed with yellow- or orange-fleshed varieties.

(2) "Firm" means that the sweetpotato is not soft, flabby or excessively shriveled.

(3) "Badly misshapen" means that the sweetpotato is so curved, crooked, grooved, constricted, flattened, or otherwise misshapen to the extent that the processing quality is materially affected.

(4) "Cull material" means pieces of sweetpotatoes, vines, root crowns, sprouts, secondary rootlets, loose dirt, adhering caked dirt or other foreign matter. Sweetpotatoes with attached vines, strings, root crowns, sprouts, secondary rootlets, and adhering caked dirt shall not be scored against U. S. No. 1 or U. S. No. 2 grades, but such vines, root crowns, sprouts, secondary rootlets, and adhering caked dirt shall be removed from the sweetpotato and scored as cull material.

(5) "Damage" means any injury or defect which materially affects the edible or processing quality, or which cannot be removed in the ordinary process of trimming without a loss of more than 10 percent of the total weight of the sweetpotato, including peel covering the defective area.

(6) "Serious damage" means any injury or defect which seriously affects the edible or processing quality, or which cannot be removed in the ordinary process of trimming without a loss of more than 25 percent of the total weight of the sweetpotato, including peel covering the defective area.

(7) "Diameter" means the greatest dimension of the sweetpotato measured at right angles to the longitudinal axis.

Done at Washington, D. C., this 9th day of May 1951.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator, Production and Marketing Administration.

[F. R. Doc. 51-5508; Filed, May 11, 1951; 8:49 a. m.]

[7 CFR, Part 51]

U. S. STANDARDS FOR APPLES; REVISION

NOTICE OF PROPOSED RULE MAKING

On August 2, 1950, a notice of proposed rule making was published in the FEDERAL REGISTER (15 F. R. 4950) regarding a proposed revision of the United States Standards for Apples. A period of thirty days was allowed for submitting written data, views and arguments for consideration in connection with the proposed standards. During this time representatives throughout most of the eastern apple producing regions requested an extension of time for consideration of the proposed standards. This request was granted and the time was extended until March 31, 1951, for submitting written data, views and arguments regarding the proposed standards (15 F. R. 6257). In view of the comments and suggestions received from apple industry representatives, a new revision of the United States Standards for Apples is hereby proposed, under the authority contained in the Department of Agriculture Appropriation Act, 1951 (Pub. Law 759, 81st Cong., approved September 6, 1950) to supersede United States Standards for Apples (S. R. A.-P. M. A. 154) issued October 1937 and reissued October 1947. The standards are proposed to become effective during July of 1951.

All persons who desire to submit written data, views or arguments for consideration in connection with the proposed standards should file the same with M. W. Baker, Deputy Director, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, South Building, Washington 25, D. C., not later than 5:30 p. m., e. s. t., on the thirtieth (30) day after publication of this notice in the FEDERAL REGISTER.

The proposed standards are as follows:

§ 51.104 *Standards for apples*—(a) *Grades*—(1) *U. S. Extra Fancy.* U. S. Extra Fancy consists of apples of one variety which are mature, but not overripe, carefully hand-picked, clean, well formed; free from decay, internal browning, internal breakdown, scald, scab, bitter pit, Jonathan spot, freezing injury, broken skins and bruises (except those that are slight and incident to proper handling and packing), and visible water core. The apples shall also be free from injury caused by russeting, sunburn or spray burn, limb rubs, hail, drought spots, scars, stem or calyx cracks, other diseases, insects, or mechanical or other means. Each apple of this grade shall have the amount of color specified hereinafter for the variety. (See Color Requirements, subparagraph (9) of this paragraph, Tolerances, paragraph (c) of this section, and Condition after Storage or Transit, paragraph (f) of this section.)

(2) *U. S. Fancy.* U. S. Fancy consists of apples of one variety which are mature but not overripe, carefully hand-picked, clean, fairly well formed; free from decay, internal browning, internal breakdown, bitter pit, Jonathan spot, scald, freezing injury, broken skins and bruises (except those incident to proper handling and packing), and visible water core. The apples shall also be free from damage caused by russeting, sunburn or spray burn, limb rubs, hail, drought spots, scars, stem or calyx cracks, other diseases, insects, or mechanical or other means. Each apple of this grade shall have the amount of color specified hereinafter for the variety. (See Color Requirements, subparagraph (9) of this paragraph, Tolerances, paragraph (c) of this section, and Condition after Storage or Transit, paragraph (f) of this section.)

(3) *U. S. No. 1.* The requirements for this grade are the same as U. S. Fancy except for color and russeting. In this grade less color is required for all varieties except yellow and green varieties, for which the requirements for both grades are the same. Apples of this grade shall be free from excessive damage caused by russeting which means that they shall meet the russeting requirements for U. S. Fancy as defined under the definitions of "damage by russeting": *Provided,* That, the aggregate area of an apple which may be covered by smooth net-like russeting shall not exceed 25 percent: *And further provided,* That, the aggregate area of an apple which may be covered by smooth solid russeting shall not exceed 10 percent. (See Color Requirements, subparagraph (9) of this paragraph, Tolerances, paragraph (c) of this section, and Condition after Storage or Transit, paragraph (f) of this section.)

(4) *U. S. No. 1 Cookers.* U. S. No. 1 Cookers consists of apples of one variety which meet the requirements of U. S. No. 1 grade except as to color. This grade is provided for apples which are mature but which may not have sufficient color to meet the specifications of U. S. No. 1. (See Tolerances, paragraph (c) of this section, and Condition after Storage or Transit, paragraph (f) of this section.)

(5) *U. S. No. 1 Early.* U. S. No. 1 Early consists of apples of one variety which meet the requirements of U. S. No. 1 grade except as to color, maturity and size. Apples of this grade have no color requirements, need not be mature, and shall be not less than 2 inches in diameter. This grade is provided for varieties such as Duchess, Gravenstein, Red June, Twenty Ounce, Wealthy, Williams, Yellow Transparent, and Lodi, or other varieties which are normally marketed during the summer months. (See

Tolerances, paragraph (c) of this section, and Condition after Storage or Transit, paragraph (f) of this section.)

(6) *U. S. Utility.* U. S. Utility consists of apples of one variety which are mature but not overripe, carefully handpicked, not seriously deformed; free from decay, internal browning, internal breakdown, scald and freezing injury. The apples shall also be free from serious damage caused by dirt or other foreign matter, broken skins, bruises, russeting, sunburn, spray burn, limb rubs, hail, drought spots, scars, stem or calyx cracks, visible water core, other diseases, insects, or mechanical or other means. (See Tolerances, paragraph (c) of this section, and Condition after Storage or Transit, paragraph (f) of this section.)

(7) *Combination grades.* Combinations of the above grades can be used as follows:

Combination U. S. Extra Fancy and U. S. Fancy.
Combination U. S. Fancy and U. S. No. 1.
Combination U. S. No. 1 and U. S. Utility.

(i) Combinations other than these are not permitted in connection with the United States apple grades. When Combination U. S. Extra Fancy and U. S. Fancy is packed, at least 25 percent of the apples in any lot shall meet the requirements of the higher grade in the combination. When Combination U. S. Fancy and U. S. No. 1 or Combination U. S. No. 1 and U. S. Utility are packed, at least 50 percent of the apples in any lot shall meet the requirements of the higher grade in the combination. (See Color Requirements, subparagraph (9) of this paragraph, Tolerances, paragraph (c) of this section, and Condition after Storage or Transit, paragraph (f) of this section.)

(8) *U. S. Hail grade.* U. S. Hail grade consists of apples which meet the requirements of U. S. No. 1 grade except that hail marks where the skin has not been broken and well healed hail marks where the skin has been broken shall be permitted, provided the apples are fairly well formed. (See Color Requirements, subparagraph (9) of this paragraph, Tolerances, paragraph (c) of this section, and Conditions after Storage or Transit, paragraph (f) of this section.)

(9) *Color requirements.* In addition to the requirements specified for the above grades, apples of these grades shall have the percentage of color specified for the variety in Table I appearing in this subparagraph. For the solid red varieties the percentage stated refers to the area of the surface which must be covered with a good shade of solid red characteristic of the variety: *Provided,* That, an apple having color of a lighter shade of solid red or striped red than that considered as a good shade of red characteristic of the variety may be admitted to a grade, provided it has sufficient additional area covered so that the apple has as good an appearance as one with the minimum percentage of good red characteristic of the variety required for the grade. For the striped red varieties the percentage stated refers to the area of the surface in which the stripes of good shade of red characteristic of the variety shall predominate over stripes of lighter red, green, or yellow. However, an apple having color of a lighter shade than that considered as a good shade of red characteristic of the variety may be admitted to a grade: *Provided,* That, it has sufficient additional area covered so that the apple has as good an appearance as one with the minimum percentage of stripes of a good red characteristic of the variety required for the grade. Faded brown stripes shall not be considered as color except in the case of the Gray Baldwin variety.

TABLE I—COLOR REQUIREMENTS FOR SPECIFIED U. S. GRADES OF APPLES, BY VARIETIES

Variety	U. S. Extra Fancy	U. S. Fancy	U. S. No. 1
	Percent	*Percent*	*Percent*
Solid Red:			
Black Ben	75	50	25
Gano	75	50	25
Winesap	75	50	25
Other similar varieties [1]	75	50	25
Red Sport varieties [2]	75	50	25
Striped or partially red:			
Cortland	66	33	25
Jonathan	66	33	25
McIntosh	66	33	25
Other similar varieties [3]	66	33	25
Baldwin	50	25	15
Ben Davis	50	25	15
Delicious	50	25	15
Mammoth Black Twig	50	25	15
Northern Spy	50	25	15
Rome Beauty	50	25	15
Stayman	50	25	15
Turley	50	25	15
Wagener	50	25	15
Wealthy	50	25	15
Willow Twig	50	25	15
York Imperial	50	25	15
Other similar varieties [4]	50	25	15
Hubbardston	50	15	10
Stark	50	15	10
Other similar varieties	50	15	10
Red June	50	15	(5)
Williams	50	15	(5)
Other similar varieties	50	15	(5)
Gravenstein	25	10	(5)
Other similar varieties [6]	25	10	(5)
Red cheeked or blushed:			
Maiden Blush	(7)	(8)	(8)
Twenty Ounce	(7)	(8)	(8)
Winter Banana	(7)	(8)	(8)
Other similar varieties	(7)	(8)	(8)
Yellow varieties	(9)	(9)	(9)
Green varieties	(9)	(9)	(9)
Golden Delicious	(10)	(10)	(10)

[1] Arkansas Black, Beacon, Detroit Red, Esopus Spitzenburg, King David, Lowry, Minjon.
[2] When Red Sport varieties are specified as such they shall meet the color requirements specified for Red Sport varieties.
[3] Haralson, Kendall, Macoun, Melba, Snow (Fameuse).
[4] Bonum, Early McIntosh, Limbertwig, Milton, Nero, Paragon.
[5] Tinge of color.
[6] Duchess, Red Astrachan, Smokehouse, Summer Rambo.
[7] Blush cheek.
[8] None.
[9] Characteristic ground color.
[10] 75 percent characteristic color. NOTE "Characteristic color", when the white around the lenticels predominates over the green color, creating a mottling effect on the surface of the apple, it shall be considered as the minimum characteristic color.

(b) *Unclassified.* Unclassified consists of apples which are not graded in conformity with any of the foregoing grades. The term "unclassified" is not a grade within the meaning of these standards but is provided as a designation to show that no definite grade has been applied to the lot.

(c) *Tolerances.* In order to allow for variations incident to proper grading and handling, not more than a total of 10 percent of the apples in any lot may fail to meet the requirements of the grade: *Provided,* That, not more than one-half of this amount, or 5 percent, shall be allowed for apples which are seriously damaged by insects and including not more than 1 percent for apples affected by decay or internal breakdown or both.

(1) When applying the foregoing tolerances to Combination U. S. Extra Fancy and U. S. Fancy grade, no part of any tolerance shall be allowed to reduce, for the lot as a whole, the 25 percent of apples of the higher grade required in the combination, but individual containers shall have not less than 15 percent of the higher grade.

(2) When applying the foregoing tolerances to Combination U. S. Fancy and U. S. No. 1 grade and to Combination U. S. No. 1 and U. S. Utility grade, no part of any tolerance shall be allowed to reduce, for the lot as a whole, the 50 percent of apples of the higher grade required in the combination, but individual containers shall have not less than 40 percent of the higher grade.

(d) *Application of tolerances to individual packages.* The contents of individual packages in the lot, based on sample inspection, are subject to the following limitations, provided the averages for the entire lot are within the tolerances specified for the grade:

(1) For packages which contain more than 10 pounds, and a tolerance of 10 percent or more is provided (as in the case of size, where a tolerance of 15 percent is provided) individual packages in any lot shall have not more than one and one-half times the tolerance specified. For packages which contain more than 10 pounds and a tolerance of less than 10 percent is provided, individual packages in any lot shall have not more than double the tolerance specified, except that at least one apple which is seriously damaged by insects or affected by decay or internal breakdown may be permitted in any package.

(2) For packages which contain 10 pounds or less, individual packages in any lot are not restricted as to the percentage of defects: *Provided,* That, not more than one apple which is seriously damaged by insects or affected by decay or internal breakdown may be permitted in any package.

(e) *Basis of calculating percentages.* (1) When the numerical count is marked on the container, percentages shall be calculated on the basis of count.

(2) When the minimum diameter or minimum and maximum diameters are marked on the container, percentages shall be calculated on the basis of weight.

(3) When the apples are in bulk, percentages shall be calculated on the basis of weight.

(f) *Condition after storage or transit.* Decay, scald, or any other deterioration which may have developed on apples after they have been in storage or transit shall be considered as affecting condition and not the grade.

(g) *Size requirements.* (1) The numerical count or the minimum diameter of the apples packed in a closed container shall be indicated on the container.

(2) When the numerical count is marked on the container the minimum size of the largest apple shall be not

more than one-fourth inch larger than the minimum size of the smallest apple.

(3) When the numerical count is not shown the minimum diameter shall be plainly stamped, stenciled, or otherwise marked on the container in terms of whole inches, whole and half inches, whole and quarter inches, or whole and eighth inches, as 2½ inches minimum, 2¼ inches minimum, or 2⅝ inches minimum, in accordance with the facts. It is suggested that both minimum and maximum diameters be marked on the container, as 2¼ to 2¾ inches, or 2½ to 2¾ inches, as such marking is especially desirable for apples marketed in the export trade.

(4) The measurement for minimum size shall be the largest diameter of the apple taken at right angles to a line from the stem end to the blossom end. The measurement for maximum size shall be the smallest dimension of the apple determined by passing the apple through a round opening.

(5) In order to allow for variations incident to proper sizing, not more than 5 percent of the apples in any lot may not meet the size requirements: *Provided*, That, when the maximum and minimum sizes are both stated, an additional 10 percent tolerance shall be allowed for apples which are larger than the maximum size stated.

(h) *Packing requirements.* (1) Each package shall be packed so that the apples on the shown face shall be reasonably representative in size, color and quality of the contents of the package.

(2) Boxes: (i) Apples packed in the standard northwestern apple boxes shall be arranged in the containers according to the approved and recognized methods with the stems pointing toward the ends of the boxes, except when jumbled. All packages shall be well filled but not to the extent as to cause excessive or unnecessary bruising to the apples because of overfilled packages. Apples packed in the standard northwestern apple boxes shall be tightly packed with sufficient bulge to prevent any appreciable movement of the apples within the containers when lidded. Each wrapped apple shall be completely enclosed by its individual wrapper.

(ii) Apples packed in other type boxes, such as nailed wooden boxes, wire-bound boxes, and fibreboard boxes, may be place packed, jumble packed faced, or jumbled packed, and all packs shall be well filled.

(iii) Apples packed in boxes equipped with cell compartments or molded trays shall be of the proper size for the cells or the molds in which they are packed.

(iv) Apples packed in consumer unit cartons and packed into shipping containers shall completely fill the shipping container.

(3) Baskets: Apples packed in U. S. standard bushel baskets, one-half bushel baskets and five-eighths bushel baskets may be ring faced and shall be tightly packed with sufficient bulge to prevent any appreciable movement of the apples within the containers when lidded.

(4) Barrels: Apples packed in barrels shall be tightly packed.

(5) In order to allow for variations incident to proper packing, not more than 5 percent of the containers in any lot may not meet these requirements.

(i) *Suggestions for marking containers.* (1) In order to conserve space, abbreviations may be used for marking United States grade names on containers. The following abbreviations are suggested where it is not desired to use the full grade name:

(i) U. S. Ex. Fcy. for U. S. Extra Fancy.
(ii) U. S. Fcy. for U. S. Fancy.
(iii) U. S. No. 1 for U. S. No. 1.
(iv) U. S. Util. for U. S. Utility.
(v) Combination grades may be designated by abbreviations of the grades preceded by the abbreviation "Comb.", as "Comb. U. S. Fcy.-U. S. No. 1".

(j) *Standards for export, as applied to condition factors:* (1) The apples in any lot shall be generally tightly packed when in barrels or baskets, and generally fairly tightly or tightly packed, when in boxes.

(2) Not more than 5 percent of the apples in any lot shall be further advanced in maturity than firm ripe.

(3) Not more than 5 percent of the apples in any lot shall be damaged by storage scab.

(4) Not more than a total of 5 percent of the apples in any lot shall be damaged by bitter pit, Jonathan spot, scald, internal breakdown, water core, freezing, decay, or other such condition factors: *Provided*, That,

(i) Not more than 2 percent shall be allowed for apples affected by decay;

(ii) Not more than 2 percent shall be allowed for damage by internal breakdown;

(iii) Not more than 2 percent of slight scald shall be permitted for apples properly packed in oiled paper or which have been especially treated with oil to prevent scald; otherwise, the apples must be free from scald.

(5) Any lot of apples shall be considered as meeting the standards for export if the entire lot averages within the requirements specified: *Provided*, That, no sample from the containers in any lot is found to exceed double the percentages specified.

(k) *Definitions.* (1) "Mature" means that the apples have reached the stage of growth which will insure the proper completion of the ripening process. Before a mature apple becomes overripe it will show varying degrees of firmness, depending upon the stage of the ripening process. The following terms are used for describing these different stages of firmness of apples:

(i) "Hard" means apples with a tenacious flesh and starchy flavor. Apples at this stage are suitable for storage and long-distance shipment.

(ii) "Firm" means apples with a tenacious flesh but which are becoming crisp with a slight starchy flavor, except the Delicious variety. Apples at this stage are also suitable for storage and long-distance shipment.

(iii) "Firm ripe" means apples with crisp flesh except that the flesh of the apples of the Gano, Ben Davis, and Rome Beauty varieties may be slightly mealy. Apples at this stage may be shipped long distances but should be moved into consumption within a short period of time.

(iv) "Ripe" means apples with mealy flesh and soon to become soft for the variety. Apples at this stage should be moved immediately into consumption.

(2) "Overripe" means apples which are dead ripe, with flesh very mealy or soft, and past commercial utility.

(3) "Carefully hand-picked" means that the apples do not show evidence of rough handling or of having been on the ground.

(4) "Clean" means that the apples are free from excessive dirt, dust, spray residue and other foreign material.

(5) "Well formed" means that the apple has the normal shape characteristic of the variety, except that the shape may be slightly irregular, provided, it does not detract from the general appearance of the apple.

(6) "Injury" means any defect which more than slightly affects the appearance, or the edible or shipping quality of the apples.

(i) Russeting in the stem cavity or calyx basin which cannot be seen when the apple is placed stem end or calyx end down on a flat surface, shall not be considered in determining whether or not an apple is injured by russeting, except that rough or bark-like russeting in the stem cavity or calyx basin shall be considered as injury when the appearance of the apple is materially affected. The following types and amounts of russeting outside of the stem cavity or calyx basin, shall be considered as injury:

(*a*) Smooth net-like russeting, when an aggregate area of more than 5 percent of the surface is covered, and the color of the russeting shows no very pronounced contrast with the background color of the apple, or lesser amounts of more conspicuous net-like russeting when the appearance is affected to a greater extent than the above amount permitted.

(*b*) Smooth, solid russeting which covers an aggregate area of more than one-half inch in diameter, and the pattern and color of the russeting shows no very pronounced contrast with the background color of the apple, or lesser amounts of more conspicuous solid russeting when the appearance is affected to a greater extent than the above amount permitted.[1]

(*c*) Slightly rough russetting which covers an aggregate area of more than one-fourth inch in diameter.[1]

(*d*) Rough russeting, unless it is well within the stem cavity or calyx basin and is not readily apparent.

(ii) Any one of the following defects, or any combination thereof, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as injury:

(*a*) Sunburn or spray burn, when the discolored area does not blend into the normal color of the fruit.

(*b*) Dark brown or black limb rubs which affect a total area of more than one-eighth inch in diameter, except that light brown limb rubs of a russet character shall be considered under the definition of injury by russeting.[1]

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[1] The area refers to that of a circle of the specified diameter.

(c) Hail marks, drought spots or other similar depressions or scars where there is appreciable discoloration other than russetting, or when the indentations are not superficial, or when an individual indentation exceeds one-eighth inch in diameter, or the total affected area exceeds one-fourth inch in diameter.[1]

(d) Stem or calyx cracks which are not well healed, or well healed stem or calyx cracks which exceed a length of one-eighth inch.

(e) Diseases: (1) Cedar rust infection which affects a total area of more than one-eighth inch in diameter.[1]

(2) Sooty blotch or fly speck which is thinly scattered over more than 5 percent of the surface, or dark, heavily concentrated spots which affect an area of more than one-fourth inch in diameter.[1]

(3) Red skin spots which are thinly scattered over more than one-tenth of the surface, or dark, heavily concentrated spots which affect an area of more than one-fourth inch in diameter.[1]

(f) Insects: (1) Any healed sting or healed stings which affect a total area of more than one-eighth inch in diameter including any encircling discolored rings.[1]

(2) Worm holes.

(7) "Fairly well formed" means that the apple may be slightly abnormal in shape but not to an extent which detracts materially from its appearance.

(8) "Damage" means any defect which materially affects the appearance, or the edible or shipping quality of the apples.

(i) Russeting in the stem cavity or calyx basin which cannot be seen when the apple is placed stem end or calyx end down on a flat surface shall not be considered in determining whether or not an apple is damaged by russeting, except that excessively rough or bark-like russeting in the stem cavity or calyx basin shall be considered as damage when the appearance of the apple is materially affected. The following types and amounts of russeting outside of the stem cavity or calyx basin, shall be considered as damage:

(a) Russeting which is excessively rough on Roxbury Russet and other similar varieties.

(b) Smooth net-like russeting, when an aggregate area of more than 15 percent of the surface is covered, and the color of the russeting shows no very pronounced contrast with the background color of the apple, or lesser amounts of more conspicuous net-like russeting when the apearance is affected to a greater extent than the above amount permitted.

(c) Smooth solid russeting, when an aggregate area of more than 5 percent of the surface is covered, and the pattern and color of the russeting shows no very pronounced contrast with the background color of the apple, or lesser amounts of more conspicuous solid russeting when the appearance is affected to a greater extent than the above amount permitted.

(d) Slightly rough russeting which covers an aggregate area of more than one-half inch in diameter.[1]

(e) Rough russeting which exceeds one-fourth inch in diameter, unless it is well within the stem cavity or calyx basin and is not readily apparent.[1]

(ii) Any one of the following defects, or any combination thereof, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as damage:

(a) Sunburn or spray burn which has caused blistering or cracking of the skin, or when the discolored area does not blend into the normal color of the fruit unless the injury can be classed as russeting.

(b) Limb rubs which affect a total area of more than one-half inch in diameter, except that light brown limb rubs of a russet character shall be considered under the definition of damage by russeting.[1]

(c) Hail marks, drought spots, or other similar depressions or scars which are not superficial, or when such injury affects a total area of more than one-half inch in diameter.[1]

(d) Stem or calyx cracks which are not well healed, or well healed stem or calyx cracks which exceed an aggregate length of one-fourth inch.

(e) Diseases: (1) Scab spots which affect a total area of more than one-fourth inch in diameter.[1]

(2) Cedar rust infection which affects a total area of more than one-fourth inch in diameter.[1]

(3) Sooty blotch or fly speck which is thinly scattered over more than one-tenth of the surface, or dark, heavily concentrated spots which affect an area of more than one-half inch in diameter.[1]

(4) Red skin spots which are thinly scattered over more than one-tenth of the surface, or dark, heavily concentrated spots which affect an area of more than one-half inch in diameter.[1]

(f) Insects: (1) Any healed sting or healed stings which affect a total area of more than three-sixteenths inch in diameter including any encircling discolored rings.[1]

(2) Worm holes.

(9) "Seriously deformed" means that the apple is so badly misshapen that its appearance is seriously affected.

(10) "Serious damage" means any defect which seriously affects the appearance, or the edible or shipping quality of the apples.

(i) The following types and amounts of russeting shall be considered as serious damage:

(a) Smooth solid russeting, when more than one-half of the surface in the aggregate is covered, including any russeting in the stem cavity or calyx basin or slightly rough, or excessively rough or bark-like russeting which detracts from the appearance of the fruit to a greater extent than the amount of smooth solid russeting permitted: *Provided*, That, any amount of russeting shall be permitted on Roxbury Russet and other similar varieties.

(ii) Any one of the following defects, or any combination thereof, the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as serious damage:

(a) Sunburn or spray burn which seriously detracts from the appearance of the fruit.

(b) Limb rubs which affect more than one-tenth of the surface in the aggregate.

(c) Hail marks, drought spots, or scars, if they materially deform or disfigure the fruit, or if such defects affect more than one-tenth of the surface in the aggregate: *Provided*, That, no hail marks which are unhealed shall be permitted and not more than an aggregate area of one-half inch shall be allowed for well-healed hail marks where the skin has been broken.[1]

(d) Stem or calyx cracks which are not well healed, or well healed stem or calyx cracks which exceed an aggregate length of one-half inch.

(e) Visible water core which affects an area of more than one-half inch in diameter.[1]

(f) Diseases: (1) Scab spots which affect a total area of more than three-fourths inch in diameter.[1]

(2) Cedar rust infection which affects a total area of more than three-fourths inch in diameter.[1]

(3) Sooty blotch or fly spech which affects more than one-third of the surface.

(4) Red skin spots which affect more than one-third of the surface.

(5) Bitter pit and Jonathan spot which is thinly scattered over more than one-tenth of the surface and does not materially deform or disfigure the fruit.

(g) Insects: (1) Healed stings which affect a total area of more than one-fourth inch in diameter including any encircling discolored rings.[1]

(2) Worm holes.

Done at Washington, D. C., this 9th day of May 1951.

[SEAL] ROY W. LENNARTSON,
Assistant Administrator, Production and Marketing Administration.

[F. R. Doc. 51-5509; Filed, May 11, 1951; 8:49 a. m.]

[1] The area refers to that of a circle of the specified diameter.

[7 CFR, Parts 723, 727]

CIGAR-FILLER TOBACCO, CIGAR-FILLER AND BINDER TOBACCO, AND MARYLAND TOBACCO

NOTICE OF FORMULATION OF REGULATIONS RELATING TO ESTABLISHMENT OF FARM ACREAGE ALLOTMENTS AND NORMAL YIELDS FOR THE 1952-53 MARKETING YEAR

Pursuant to the authority contained in the applicable provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301, 1312, 1313), the Secretary of Agriculture is preparing to formulate regulations governing the establishment of farm acreage allotments and normal yields for the 1952 crops of cigar-filler (type 41) tobacco and Maryland (type 32) tobacco if marketing quotas are in effect during the 1952-53 marketing year for either one or both of such kinds of tobacco.

The applicability of the regulations to be issued for either of such kinds of tobacco will be contingent upon the proclamation of a national marketing quota for such kind of tobacco pursuant to section 312 of the act (7 U. S. C. 1312), and upon approval of quotas by growers voting in a referendum.

It is contemplated that the regulations for these two kinds of tobacco will be substantially the same as those issued with respect to the 1951 crops (15 F. R. 7203 and 15 F. R. 7433). It is proposed that paragraphs (d) of §§ 723.223 and 727.224 of the regulations for the 1951–52 marketing year be omitted from the regulations for the 1952–53 marketing year. Such paragraphs provide that a farm is not eligible for a "new" farm allotment if it has an allotment for any other kind of tobacco. In the case of Maryland tobacco, it is proposed that § 727.317 (b) will read "90 percent of the average acreage of tobacco harvested on the farm in the three years 1949–51." Section 727.217 (b) of the regulations for the 1951–52 marketing year provided for 80 percent of the average acreage of tobacco harvested on the farm in the three prior years.

Prior to the final adoption and issuance of the regulations, consideration will be given to any data, views, and recommendations pertaining thereto which are submitted in writing to the Director, Tobacco Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C. All submissions must be postmarked not later than 15 days from the date of publication of this notice in the FEDERAL REGISTER in order to be considered.

Issued at Washington, D. C., this 9th day of May 1951.

[SEAL] G. F. GEISSLER,
Administrator.

[F. R. Doc. 51-5487; Filed, May 11, 1951; 8:46 a. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

[29 CFR, Part 545]

HOMEWORKERS IN THE NEEDLEWORK AND FABRICATED TEXTILE PRODUCTS INDUSTRY IN PUERTO RICO

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that pursuant to authority under the Fair Labor Standards Act of 1938, as amended, the Administrator of the Wage and Hour Division, United States Department of Labor, intends to revise the regulations relating to homeworkers in the needlework industries in Puerto Rico (29 CFR Part 545), as hereinafter set forth, effective June 4, 1951. The regulations are being revised in order to clarify various provisions and to make them conform with administrative experience. In addition, the schedule of minimum piece rates contained in the regulations is being revised pursuant to section 6 (a) (2) of the act, in order to provide rates for operations not hitherto included in the schedule, and to make the rates for operations now included therein commensurate with the new minimum hourly rates fixed for the Needlework and Fabricated Textile Products Industry in Puerto Rico by the wage order for those industries (29 CFR Part 655) published in the FEDERAL REGISTER on May 5, 1951 (16 F. R. 4101) and to become effective June 4, 1951.

The Administrator intends to revise the schedule of minimum piece rates presently contained in § 545.14 in the following manner:

1. Increase the minimum piece rates for operations Nos. 1 to 91 inclusive by 16.67 percent.

2. For operations Nos. 93 to 97 inclusive, increase the minimum piece rates in Columns 1, 2, and 3 by 25 percent; increase the rates in Column 4 by 25.93 percent, in Column 5 by 45.83 percent, and in Column 6 by 29.17 percent.

3. Increase the minimum piece rates for operations Nos. 99 to 166, inclusive, and 170 to 186 inclusive by 16.67 percent.

4. For operations Nos. 188 to 198 inclusive, increase the minimum piece rates shown for Ladies' woven or knitted fabric gloves by 16.67 percent; increase the rates shown for leather gloves 13.64 percent.

5. Increase the minimum piece rates for operations Nos. 200 to 205 inclusive by 16.67 percent.

6. Increase the rates for operations Nos. 207 and 208 by 40 percent.

7. Delete the rates for operations Nos. 167 to 169, inclusive, and add the following minimum piece rates to the schedule contained in § 545.14:

Operation	Piece rate (cents) (based on hourly rate of 17½ cents)		Unit of payment
	Cambric	Crash	
Thread drawing:			
Art linens, first thread, not coming out at edge:			
Stamped, 1" to 10"	1.25	----------	Per dozen threads.
Not stamped, 1" to 10"	1.56	0.93	Do.
Art linens, unstamped, first thread, all round, not coming out at edge:			
Doilies: 12" x 18"	6.99	5.69	Per dozen pieces.
Napkins:			
12" x 12"	5.59	4.74	Do.
15" x 15"	6.99	5.69	Do.
18" x 18"	8.39	6.57	Do.
Scarfs:			
17" x 36"	12.35	8.85	Do.
17" x 45"	14.45	9.98	Do.
17" x 54"	16.55	11.08	Do.
Squares:			
36" x 36"	16.79	11.19	Do.
45" x 45"	20.98	13.31	Do.
54" x 54"	25.18	15.55	Do.
Art linens, unstamped, first thread at one end, coming out at both edges:			
Towels:			
9" x 15"	----------	.88	Do.
15" x 24"	----------	1.28	Do.
18" x 30"	----------	1.47	Do.

All thread drawing operations, after first thread: For second and third threads 20 percent of the rate for first thread; for additional threads, 15 percent of rate for first thread.

The Administrator intends to revise §§ 545.1 to 545.13 to read as follows:

Sec.
545.1 Applicability.
545.2 Definitions.
545.3 Filing and notification requirements.
545.4 Preparation of goods for delivery.
545.5 Delivery and collection of goods.
545.6 Payment for work.
545.7 Records to be kept.
545.8 Maintenance of records.
545.9 Reporting names of subcontractors, agents, or other homework distributors.
545.10 Minimum piece rates prescribed by the Administrator.
545.11 Piece rates adopted by employers.
545.12 Penalties.
545.13 Petition for amendment of regulations.
545.14 Piece rates established in accordance with § 545.10.

AUTHORITY: §§ 545.1 to 545.14, inclusive, issued under sec. 3 (f), 54 Stat. 616, as amended, sec. 11, 52 Stat. 1066; 29 U. S. C. 206, 211.

§ 545.1 *Applicability.* The provisions of this part shall apply to persons engaged in activities relating to homeworkers in the needlework and fabricated textile products industry in Puerto Rico as defined in Part 655 of this chapter.[1]

§ 545.2 *Definitions.* (a) The meaning of the terms "person," "employ," employer," "employee," "goods," and "production" as used in this part is the same as in the Fair Labor Standards Act of 1938, as amended.

(b) "Homeworker," as used in this part, means any employee employed or suffered or permitted to perform home work for an employer: *Provided,* That such work is not performed under either actively or personally regulated or supervised conditions.

(c) "Home work," as used in this part, means the production by any person in or about a home, apartment, tenement, or room in a residential establishment, of goods for an employer who suffers or permits such production, regardless of the source (whether obtained from an employer or elsewhere) of the materials used by the homeworker in such production.

[1] Persons engaged in activities relating to homeworkers in other industries in Puerto Rico are subject to Part 681 of this chapter.

(d) "Subcontractor" includes any person who, for the account or benefit of an employer, delivers, or causes to be delivered, to a homeworker goods to be produced in or about a home and thereafter to be returned in accordance with the direction of such employer.

(e) "Design" includes a combination of two or more stitches or operations so sewn as to form a pattern.

(f) "Operation" means any work or any process other than the distribution of goods to or collection of goods from homeworkers.

§ 545.3 *Filing and notification requirements.* Every employer prior to the distribution of work to any homeworker or prior to the commencement of work by a homeworker, in cases where the homeworker purchases the raw materials, shall file with the Wage and Hour Division in Puerto Rico (a) a copy of each design, if any, and (b) a description in writing of each operation to be performed by any homeworker, whether or not part of a design, together with the full piece rate schedule designation, if any,[2] the corresponding piece rates to be paid for each such operation, and the style numbers, if any, of the goods upon which such designs are to be made and operations are to be performed.

§ 545.4 *Preparation of goods for delivery.* Where goods for production in a home are distributed to the homeworker by the employer, the employer shall make up the goods to be delivered to a subcontractor into a lot, each lot to comprise goods on which the same operations are to be performed.

§ 545.5 *Delivery and collection of goods.* Where goods for production in a home are distributed to the homeworker by the employer, the goods shall be personally distributed to and collected from the homeworker who is to work on the goods, either directly at the factory or by employees expressly employed by an employer or subcontractor to distribute and collect such goods outside the factory.

§ 545.6 *Payment for work.* When an employer receives goods on which work has been completed, he shall pay immediately the homeworker or subcontractor, as the case may be, for such work: *Provided,* That in cases where payment is made to a subcontractor, the homeworker shall be paid within seven days after such subcontractor has collected the goods from such homeworker. Payment shall be made to each homeworker at rates not less than those required under §§ 545.10 and 545.11, and in accordance with the requirements of sections 6 and 7 of the act. In addition, any costs for materials incurred by the homeworker shall be reimbursed by the employer.

§ 545.7 *Records to be kept.* (a) Every employer shall make and have available at his principal Puerto Rican office a record of the following information:[3]

(1) The name and address of each firm situated outside the Island of Puerto Rico, if any, from whom the goods upon which homework is to be performed were received.

(2) The name and address of each subcontractor, if any, to whom each lot of goods was delivered for delivery to homeworkers, together with the number of the permit issued to such subcontractor by the Department of Labor of Puerto Rico.

(3) The dates upon which each lot of goods was delivered to and returned by a subcontractor, if any, together with a description of such goods, the net amount paid as commission and the rate of commission on such goods.

(4) The name and address of each homeworker, and the date of birth of each homeworker under 19, to whom the goods in each lot were delivered or from whom goods were purchased.

(5) The dates upon which the goods in each lot were delivered to and collected from each homeworker or upon which goods were purchased from each homeworker.

(6) The style number, if any, description of, and amount of goods in each lot or the amount of goods purchased from each homeworker, the operations to be performed or performed thereon, together with the piece rates to be paid or paid, the amount due each homeworker for the operations performed upon such goods, social security deductions from that amount, the amount actually paid the homeworker after such deductions, and the additional amount, if any, paid the homeworker for any material costs incurred by the latter.

(7) The dates upon which each homeworker was paid for operations performed on the goods in each lot or for goods purchased by the employer.

(b) At the time work is given out to or received or purchased from a homeworker, as the case may be, every employer[4] shall enter the following information in the handbook (to be obtained by the employer from the Wage and Hour Division and supplied by him to each homeworker) which shall be kept by the homeworker:

(1) The dates upon which the goods in each lot were delivered to and collected from the homeworker or upon which goods were purchased from the homeworker.

(2) The style number, if any, description of, and amount of goods in each lot or the amount of goods purchased from the homeworker, the operations to be performed or performed thereon, together with the piece rates to be paid or paid, the amount due each homeworker for the operations performed upon such goods, social security deductions from that amount, the amount actually paid the homeworker after such deductions, and the additional amount, if any, paid the homeworker for any material costs incurred by the latter.

(3) The dates upon which the homeworker was paid for operations performed on the goods in each lot or for goods purchased by the employer.

(4) The signature of the person acting in behalf of the employer.

(c) No employer shall employ any homeworker for more than 40 hours in any workweek unless, in addition to the records which he is required to keep pursuant to paragraphs (a) and (b) of this section, such employer makes and keeps available at his principal Puerto Rican office and enters in the handbook of each such homeworker a record of the following information:

(1) The hours worked by the homeworker on the goods in each lot of work delivered to the employer or on goods purchased by the employer.

(2) The total hours worked each week.

(3) The wages paid the homeworker each week at regular piece rates.

(4) The extra amount paid to the homeworker for hours worked in excess of 40 in each week.

§ 545.8 *Maintenance of records.* Every employer shall keep and preserve for a period of not less than three years at his place of business all records required above except the handbook, which shall be kept by the homeworker for a period of two years subsequent to the date of the last entry therein. All such records shall be open at any time to inspection and transcription by the Administrator or his authorized representative.

§ 545.9 *Reporting names of subcontractors, agents, or other homework distributors.* Every employer shall report to the office of the Wage and Hour Division, United States Department of Labor, Mayaguez, Puerto Rico, (a) the names and addresses of all persons employed as subcontractors, as that term is defined in this part, or as agents or supervisors in charge of any branch office, and (b) the permit numbers issued to such persons by the Department of Labor of Puerto Rico.

§ 545.10 *Minimum piece rates prescribed by the Administrator.* Pursuant to the provisions of section 6 (a) (2) of the act, each homeworker shall be paid,

[2] See § 545.14 for the schedule of piece rates prescribed in accordance with § 545.10. As an example of how to state the piece rate schedule designation, if "plain scallops" were to be made on articles in the "Infants' Wear Division," the full piece rate schedule designation would be "Operation 74, Col. 3."

[3] Although responsibility for making the record is placed upon the employer, the actual work of doing so may be performed by supervisory or clerical employees, agents, subcontractors, or other persons acting in behalf of the employer.

No particular order or form of records is prescribed by the regulations contained in this part. The employer may keep his own record system, so long as he keeps all the required information available in understandable form.

The records must be kept in the employer's principal Puerto Rican office. Where it is not possible for a record of one or more of the items to be made in the first instance at the employer's principal office, at the employer's direction the record of such items may be made away from that office by a subcontractor, agent, employee, or other person acting in behalf of the employer. In such event, however, the records shall be delivered to the principal Puerto Rican office of the employer as soon as possible after the making of such entries, and shall there be preserved and be available for inspection.

[4] Although responsibility for making the record is placed upon the employer, the actual work of doing so may be performed by supervisory or clerical employees, agents, subcontractors, or other persons acting in behalf of the employer.

in lieu of the applicable hourly rate established by the wage order for the needlework and fabricated textile products industry, not less than the piece rates prescribed in § 545.14 for the operations described therein.

§ 545.11 *Piece rates adopted by employers.* Pursuant to the provisions of section 6 (a) (2) of the act, in the event that a homeworker is to perform an operation for which no minimum piece rate has been prescribed by regulation or order of the Administrator or his authorized representative, he shall be paid a piece rate adopted by the employer which shall yield to homeworkers of ordinary skill, under prevalent operating conditions and with equipment ordinarily found in homes, an amount not less than the applicable minimum hourly wage rate established by wage order.[5] No employer shall adopt such a piece rate until he has first notified the Division of his intention to establish a rate for such operation, the rate fixed and the basis on which the piece rate has been computed. Such an employer piece rate shall be lawful only if it actually satisfies the requirements of this section, and such a rate shall remain in effect only until such time as the Administrator or his authorized representative, by regulation or order, establishes a minimum piece rate for such operation.

§ 545.12 *Penalties.* Section 15 of the act makes it unlawful for any person to violate the provisions of this part and subjects any such person to the penalties provided by section 16 and section 17 of the act.

§ 545.13 *Petition for amendment of regulations.* Any person wishing a revision of any of the terms of this part may submit in writing to the Administrator or his authorized representative a petition setting forth the changes desired and the reasons for proposing them. If, upon inspection of the petition, the Administrator or his authorized representative believes that reasonable cause for amendment of this part is set forth, the Administrator or his authorized representative will either schedule a hearing with due notice to interested parties, or will make other provision for affording interested parties an opportunity to present their views, either in support of or in opposition to the proposed changes.

Interested persons may submit data, views, or arguments with respect to the above proposed revisions within 15 days from the date of publication of this notice in the FEDERAL REGISTER. Such material should be addressed to the Administrator, Wage and Hour Division, United States Department of Labor, Washington 25, D. C., and will be fully considered before the Administrator makes any of the proposed revisions effective.

Signed at Washington, D. C., this 10th day of May 1951.

F. GRANVILLE GRIMES, Jr.,
Acting Administrator, Wage and Hour and Public Contracts Divisions, Department of Labor.

[F. R. Doc. 51-5586; Filed, May 11, 1951; 8:49 a. m.]

[5] See Part 655 of this chapter for the minimum hourly wage rates currently applicable for the various divisions and classifications of the needlework and fabricated textile products industry in Puerto Rico. The minimum hourly rates applicable to the manufacture of hooked rugs are provided in the wage order for the hooked rug industry in Puerto Rico (Part 684 of this chapter). Homeworkers in the hooked rug industry are governed by Part 681 of this chapter.

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Misc. 50416]

MONTANA

ORDER PROVIDING FOR THE OPENING OF PUBLIC LANDS RESTORED FROM THE MILK RIVER PROJECT

MAY 7, 1951.

An order of the Bureau of Reclamation dated December 21, 1948, concurred in by the Director, Bureau of Land Management, December 27, 1948, revoked the Departmental Orders of August 18 and 26, 1902, February 9, 1903, May 24, 1924, and April 30, 1928, so far as they withdrew in the first form prescribed by section 3 of the Reclamation Act of June 17, 1902 (32 Stat. 388), the following-described lands in connection with the Milk River Project, Montana, and provided that such revocation shall not affect the withdrawal of any other lands by said orders or affect any other order withdrawing or reserving the lands described:

PRINCIPAL MERIDIAN

T. 32 N., R. 24 E.,
Sec. 32, lot 5.
T. 30 N., R. 30 E.,
Sec. 17, lot 5.
T. 30 N., R. 32 E.,
Sec. 15, SW¼NE¼, S½NW¼, NW¼SE¼.
T. 31 N., R. 32 E.,
Sec. 13, W½NE¼, E½NW¼.

The areas described aggregate 380.20 acres.

The lands described in T. 30 N., R. 30 E., and Tps. 30 and 31 N., R. 32 E., are embraced in homestead entries either patented or approved for patent, and no other application for such lands will be allowed.

Lot 5, sec. 32, T. 32 N., R. 24 E., containing 20.30 acres, is suitable for agriculture.

No applications for this land may be allowed under the homestead, small tract, desert-land, or any other nonmineral public land laws, unless the land has already been classified as valuable or suitable for such type of application, or shall be so classified upon consideration of an application.

This order shall not otherwise become effective to change the status of such lands until 10:00 a. m. on the 35th day after the date of this order. At that time the said lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location,and selection as follows:

(a) *Ninety-one day period for preference-right filings.* For a period of 91 days, commencing at the hour and on the day specified above, the public lands affected by this order shall be subject only to (1) application under the homestead or the desert-land laws or the Small Tract Act of June 1, 1938, 52 Stat. 609 (43 U. S. C. 682a), as amended, by qualified veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944, 58 Stat. 747 (43 U. S. C. 279–284), as amended, subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications under subdivision (1) of this paragraph shall be subject to applications and claims of the classes described in subdivision (2) of this paragraph. All applications filed under this paragraph either at or before 10:00 a. m. on the 35th day after the date of this order shall be treated as though filed simultaneously at that time. All applications filed under this paragraph after 10:00 a. m. on the said 35th day shall be considered in the order of filing.

(b) *Date for non-preference-right filings.* Commencing at 10:00 a. m. on the 126th day after the date of this order, any lands remaining unappropriated shall become subject to such application, petition, location, selection, or other appropriation by the public generally as may be authorized by the public-land laws. All such applications filed either at or before 10:00 a. m. on the 126th day after the date of this order, shall be treated as though filed simultaneously at the hour specified on such 126th day. All applications filed thereafter shall be considered in the order of filing.

A veteran shall accompany his application with a complete photostatic or other copy (both sides), of his certificate of honorable discharge, or of an official document of his branch of the service which shows clearly his honorable discharge as defined in § 181.36 of Title 43 of the Code of Federal Regulations, or constitutes evidence of other facts upon which the claim for preference is based and which shows clearly the period of service. Other persons claiming credit for service of veterans must furnish like proof in support of their claims. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their

applications by duly corroborated statements in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the Land Office, Billings, Montana, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations and Part 296 of that title, to the extent that such regulations are applicable. Applications under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations, and applications under the desert-land laws and the said Small Tract Act of June 1, 1938, shall be governed by the regulations contained in Parts 232 and 257, respectively, of that title.

Inquiries concerning these lands shall be addressed to the Manager, Land Office, Billings, Montana.

WILLIAM ZIMMERMAN, JR.,
Assistant Director.

[F. R. Doc. 51-5488; Filed, May 11, 1951; 8:46 a. m.]

Petroleum Administration for Defense

[Petroleum Administration for Defense Delegation 2]

ADMINISTRATOR, DEFENSE SOLID FUELS ADMINISTRATION

DELEGATION OF AUTHORITY WITH RESPECT TO PETROLEUM COKE

Pursuant to Executive Orders Nos. 10161, as amended, and 10200, Defense Production Administration Delegation No. 1, and Department of the Interior Order No. 2591, as amended, issued under the Defense Production Act of 1950, authority over the distribution of petroleum coke is hereby delegated to the Administrator, Defense Solid Fuels Administration, Department of the Interior.

The authority herein delegated shall be exercised in conformity with such production policies and programs as may be established by the Petroleum Administration for Defense, Department of the Interior.

The functions herein delegated may be redelegated within the Defense Solid Fuels Administration in the discretion of the Administrator.

This delegation shall take effect on May 14, 1951.

BRUCE K. BROWN,
Deputy Administrator.

[F. R. Doc. 51-5628; Filed, May 11, 1951; 12:17 p. m.]

DEPARTMENT OF AGRICULTURE

Farmers Home Administration

DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS, AND DIRECTOR, PRODUCTION LOAN DIVISION

DELEGATIONS OF AUTHORITY WITH RESPECT TO CERTAIN POWERS, FUNCTIONS AND DUTIES

There is hereby delegated to the Deputy Administrator, Assistant Administrators, and the Director, Production Loan Division, Farmers Home Administration, subject to the general supervision of the Administrator, all authorities, powers, functions and duties vested in the Secretary of Agriculture pursuant to the authority contained in the item under the heading "Loans to Farmers, 1948 Flood Damage", in title I of Public Law 785, 80th Congress (62 Stat. 1038), in the item under the heading "Loans to Farmers, Property Damage", in title I of Public Law 71, 81st Congress (63 Stat. 81), and in Public Law 38, 81st Congress (63 Stat. 43), as amended by Public Law, 665, 81st Congress, and delegated to the Administrator by orders of the Secretary of Agriculture dated June 17, 1949 (14 F. R. 3418), and April 12, 1951 (16 F. R. 3388). The authorities, powers, functions and duties delegated herein may not be redelegated.

The order of the Administrator of the Farmers Home Administration dated September 14, 1950 (15 F. R. 6645), is hereby revoked.

Done at Washington, D. C., this 7th day of May, 1951.

[SEAL] DILLARD B. LASSETER,
Administrator,
Farmers Home Administration.

[F. R. Doc. 51-5513; Filed, May 11, 1951; 8:49 a. m.]

DEFENSE PRODUCTION ADMINISTRATION

[DPA Request 9]

OMAHA INDUSTRIES, INC., ET AL.

REQUEST TO RESUME OPERATIONS AS A SMALL BUSINESS ENTERPRISE PRODUCTION POOL AND REQUESTS TO CERTAIN COMPANIES TO PARTICIPATE IN THE OPERATIONS OF SUCH POOL

Pursuant to section 708 of the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.) the request to Omaha Industries, Inc. to resume operations as a small business enterprise production pool and the requests to the companies hereinafter listed to particpate in the operations of such pool, set forth below, were approved by the Attorney General, after consultations between representatives of the Administrator of the Defense Production Administration, representatives of the Attorney General, and representatives of the Chairman of the Federal Trade Commission. The voluntary program, in accordance with which the pool shall operate, has been approved by the Administrator of the Defense Production Administration and found to be in the public interest as contributing to the national defense.

REQUEST TO OMAHA INDUSTRIES, INC.

You are requested to resume the operations of the Omaha Industries, Inc., a Nebraska non-profit corporation, as a small business enterprise production pool in accordance with the voluntary program as set forth in the papers attached to your letter addressed to the Pooling Section, Office of Small Business, Department of Commerce, dated March 31, 1951, and within the limits set forth therein.

In my opinion, the resumption of operations of your corporation will greatly assist in accomplishing our national defense objectives.

The Attorney General has approved this request after consultations with respect to this matter between his representatives, representatives of the Chairman of the Federal Trade Commission, and my representatives, pursuant to section 708 of the Defense Production Act of 1950 (Public Law 774—81st Congress).

I approve the voluntary program and find it to be in the public interest as contributing to the national defense.

Your cooperation in this matter will be appreciated.

Sincerely yours,

W. H. HARRISON,
Administrator.

CONTENTS OF REQUEST TO PARTICIPATING COMPANIES

You are requested to participate in the operations of the Omaha Industries, Inc., as a member thereof, which will operate as a small business enterprise production pool in accordance with the voluntary program as set forth in the papers attached to the letter from Omaha Industries, Inc., dated March 31, 1951, addressed to the Pooling Section, Office of Small Business, Department of Commerce, and within the limits set forth therein.

In my opinion, your participation in the operations of this corporation as a small business enterprise production pool will greatly assist in accomplishing our national defense objectives.

The Attorney General has approved this request after consultations with respect to this matter between his representatives, representatives of the Chairman of the Federal Trade Commission, and my representatives, pursuant to section 708 of the Defense Production Act of 1950 (Public Law 774—81st Congress).

I approve the voluntary program and find it to be in the public interest as contributing to the national defense.

Your cooperation in this matter will be appreciated.

Sincerely yours,

W. H. HARRISON,
Administrator.

LIST OF COMPANIES REQUESTED TO PARTICIPATE

Adams & Kelly Co., 1218 Nicholas Street, Omaha, Nebr.

Alfred Bloom Co., 1502 California Street, Omaha, Nebr.

American Machine Works, 1212 Jackson Street, Omaha, Nebr.

Acme Advertising Co., 1301 Dodge Street, Omaha, Nebr.

American Road Equipment Co., 2319 North Eighteenth Street, Omaha, Nebr.

Anderson Electric, 2920 Dodge Street, Omaha, Nebr.

Bradford Kennedy Co., 3514 South Twenty-fifth Street, Omaha, Nebr.

Barnhart Press, 2566 Farnam Street, Omaha, Nebr.

E. P. Boyer Lumber Co., Twenty-fourth and Boyd Street, Omaha, Nebr.

Badger Body Manufacturing Co., 2719 Cuming Street, Omaha, Nebr.

Beau Brummell Co., 123 South Nineteenth Street, Omaha, Nebr.

Bjornson Sheet Metal Co., 1407 Davenport Street, Omaha, Nebr.

Ballantyne Co., 1707 Davenport Street, Omaha, Nebr.

Central Manufacturing Co., 4924 Poppleton Avenue, Omaha, Nebr.

Central States Tool & Die Works, 2117 Cuming Street, Omaha, Nebr.

Carter Sheet Metal Works, Thirteenth and Grace Street, Omaha, Nebr.

Cook Paint & Varnish Co., 1433 Davenport Street, Omaha, Nebr.

Continental Farm Equip. Co., Twenty-seventh and Boyd Street, Omaha, Nebr.

J. P. Cooke Co., 1111 Farnam Street, Omaha, Nebr.
Crown Products Co., Ralston, Nebr.
L. G. Doup Co., 1301 Nicholas Street, Omaha, Nebr.
Drake-Williams-Mount Co., Twenty-third and Hickory Street, Omaha, Nebr.
Duplex Manufacturing Co., Twenty-first and Locust Street, Omaha, Nebr.
Disbrow & Co., 1201 Nicholas Street, Omaha, Nebr.
Eaton Metal Products Corp., Thirteenth and Willis Avenue, Omaha, Nebr.
George I. Elmore Co., 219 South Twenty-ninth Street, Omaha, Nebr.
Economy Welding Service, 1723 Cuming Street, Omaha, Nebr.
Electronic Development Co., 4420 North Twenty-third Street, Omaha, Nebr.
Fairbury Windmill Co., Fairbury, Nebr.
Fremont Foundry Co., Fremont, Nebr.
G & G Manufacturing Co., 4103 North Twenty-fourth Street, Omaha, Nebr.
Gate City Steel Works, Eleventh and Seward Street, Omaha, Nebr.
Giant Manufacturing Co., Sixth and Twelfth Avenue, Council Bluffs, Iowa.
General Woodworks, 150 South Thirty-first Street, Omaha, Nebr.
Hastings Air Conditioning Co., Hastings, Nebr.
Hughes Brothers, Inc., Seward, Nebr.
Howard Manufacturing Co., 514 East Broadway, Council Bluffs, Iowa.
Industrial Electrical Works, 1509 Chicago Street, Omaha, Nebr.
Independent Awning Co., Council Bluffs, Iowa.
Interstate Machinery & Supply, 1006 Douglas Street, Omaha, Nebr.
Interstate Printing Co., 1307 Howard Street, Omaha, Nebr.
Inland Manufacturing Co., 1103 Jackson Street, Omaha, Nebr.
Jubilee Manufacturing Co., 1929 South Twentieth Street, Omaha, Nebr.
John Latenser & Sons, 1307 Farnam Street, Omaha, Nebr.
Kelly Ryan Equipment Co., Blair, Nebr.
Katelman Foundry, 230 South Eleventh Street, Omaha, Nebr.
Kavan Furnace & Sheet Metal Works, 1801 Vinton Street, Omaha, Nebr.
Kimball Bros. Co., 1021 South Ninth Street, Council Bluffs, Iowa.
Koley Plating Co., 2951 Harney Street, Omaha, Nebr.
Koutsky-Brennan-Vana Co., 2306 "N" Street, Omaha, Nebr.
J. H. Kaphfer Auto Parts Co., Dennison, Iowa.
Ko-Z-Aire, Red Oak, Iowa.
Lewis Industrial Manufacturing Co., 1309 Davenport Street, Omaha, Nebr.
Lincon Tent & Awning Co., 1616 O Street, Lincoln, Nebr.
Lincoln Steel Works, Lincoln, Nebr.
Miller Knuth Manufacturing Co., 2814 North 20th Street, Omaha, Nebr.
Morton Manufacturing Co., 3222 South 24th St., Omaha, Nebr.
T. S. McShane Co., 1113 Howard Street, Omaha, Nebr.
P. Melchiors & Son Machine Co., 417 South Thirteenth Street, Omaha, Nebr.
Miller Chemical Co., 525 North Fifteenth Street, Omaha, Nebr.
Modern Equipment Co., 2011 Cuming Street, Omaha, Nebr.
Morris Register Co., Council Bluffs, Iowa.
Nagl Manufacturing Co., 2126 Cuming Street, Omaha, Nebr.
National Construction Co., 1335 South Twentieth Street, Omaha, Nebr.
Newman Store Planning Service, 4107 South Twenty-fourth Street, Omaha, Nebr.
Oehrle & Bergman, 1405 Jackson Street, Omaha, Nebr.
Omaha Cap Manufacturing Co., 201 South Tenth Street, Omaha, Nebr.
Omaha Bedding & Couch Manufacturing Co., 101 South Tenth Street, Omaha, Nebr.
Omaha Fixture & Supply Corp., 1100 Douglas Street, Omaha, Nebr.
Omaha Steel Works, 609 South Forty-Eighth Street, Omaha, Nebr.
Omaha Semi Steel Foundry, 1911 North Eleventh Street, Omaha, Nebr.
Omaha Standard Body Corp., Council Bluffs, Iowa.
Omaha Parlor Frame Co., 2514 Sahler Street, Omaha, Nebr.
Olson Bros., 2651 St. Mary's Avenue, Omaha, Nebr.
Porter Trustin Co., 910 South Saddle Creek Road, Omaha, Nebr.
Petersen Corp., Blair, Nebr.
Paxton-Mitchell Co., 2614 Martha Street, Omaha, Nebr.
Paxton Vierling Iron Works, Fifth Street and Avenue H, Omaha, Nebr.
Walter C. Roessig Co., 3305 Leavenworth Street, Omaha, Nebr.
The Refinite Corp., 1023 Harney Street, Omaha, Nebr.
Reifschneider Paint Co., 918 Dodge Street, Omaha, Nebr.
J. P. Richter Machine Co., 1810 Cuming Street, Omaha, Nebr.
Rodger Tent & Awning Co., Fremont, Nebr.
Scott Manufacturing Co., 1501 Howard Street, Omaha, Nebr.
Smith-Lockwood Manufacturing Co., 2323 South Thirteenth Street, Omaha, Nebr.
The Snow Corp., 5002 North Thirtieth Street, Omaha, Nebr.
Steril Manufacturing Co., 936 North Twenty-fourth Street, Omaha, Nebr.
Stylecraft Manufacturing Co., 1123 Howard Street, Omaha, Nebr.
Schum Tool Co., 4304 North Twenty-second Street, Omaha, Nebr.
F. H. Schley Machine Shop, 1014 South 6, Council Bluffs, Iowa.
Searle Petroleum Co., 1023 North Eighteenth Street, Omaha, Nebr.
Standard Furnace & Supply, 413 South Tenth Street, Omaha, Nebr.
Standard Tent & Awning Co., 4525 Military Street, Omaha, Nebr.
Thor Airplane & Engine Co., 1102 South Saddle Creek Road, Omaha, Nebr.
Tip Top Products Co., 1515 Cuming Street, Omaha, Nebr.
R. H. Thorpe Paint Co., 1124 South Thirteenth Street, Omaha, Nebr.
U. S. Awning Co., 4614 Dodge Street, Omaha, Nebr.
Western Stamp & Stencil Co., 1120 Farnam Street, Omaha, Nebr.
Woerner Wire Works, Thirtieth and Evans Street, Omaha, Nebr.
Weir Body Co., 4504 Cuming Street, Omaha, Nebr.

(Sec. 708, Pub. Law 774, 81st Cong.; E. O. 10200, Jan. 3, 1951, 16 F. R. 61; Letter from the President to the Director of the Office of Defense Mobilization, dated Apr. 27, 1951, 16 F. R. 3691.)

CHARLES E. WILSON,
Director,
Office of Defense Mobilization.[1]

[F. R. Doc. 51-5608; Filed, May 11, 1951; 11:27 a. m.]

[1] The letter from the President, dated Apr. 27, 1951, to the Director of the Office of Defense Mobilization, conferred upon the Director of the Office of Defense Mobilization the powers delegated to the Defense Production Administrator by E. O. 10200 of Jan. 3, 1951, 16 F. R. 61, relating to voluntary agreements and programs under Sec. 708 of the Defense Production Act of 1950, Pub. Law 774, 81st Cong., during the incumbency of the Acting Defense Production Administrator.

ECONOMIC STABILIZATION AGENCY

ADDITIONAL REGIONAL AND DISTRICT OFFICES

ORGANIZATIONAL STATEMENT

The field organization of the Office of Price Stabilization of the Economic Stabilization Agency, established pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), and Executive Order 10161 (15 F. R. 6105), as published in the FEDERAL REGISTER dated February 2, 1951 (16 F. R. 987), and as amended March 3, 1951 (16 F. R. 2028) and April 20, 1951 (16 F. R. 3444), is further amended to include District Offices opened April 23, 1951, in the following cities:

Region I (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont). Boston District Office, 141 Milk Street, Boston, Mass.

Region II (New York, New Jersey). Albany District Office, 55 Columbia Street, Albany, N. Y.

The territory to be served by the District Office in Albany, N. Y., will be comprised of the Northern portion of the district now served by the New York office, its Western and Southern boundaries being composed of St. Lawrence, Hamilton, Fulton, Montgomery, Schoharie, Green, and Columbia Counties. The present New York District area will be reduced to that extent, and thereafter will extend to the Northern boundaries of Sullivan, Ulster, and Dutchess Counties.

Region III (Pennsylvania and Delaware). Philadelphia District Office, Fifteenth Street and South Pennsylvania Square, Commercial Trust Building, Philadelphia, Pa.

Region IV (Maryland, North Carolina, Virginia, West Virginia, District of Columbia). Richmond District Office, 802 East Broad Street, Richmond, Va.

Region V (Alabama, Florida, Georgia, Mississippi, South Carolina, Tennessee). Atlanta District Office, Rhodes Building, 78 Marietta Street, Atlanta, Ga.

Region VI (Kentucky, Michigan, Ohio). Cleveland District Office, 1620 Euclid Avenue, Cleveland, Ohio.

Region VII (Illinois, Indiana, Wisconsin). Chicago District Office, 188 West Randolph Street, Chicago, Ill.

Region IX (Iowa, Kansas, Missouri, Nebraska). Kansas City District Office, Garden Building, Admiral and McGee Boulevard, Kansas City, Mo.

Region X (Louisiana, Oklahoma, Arkansas, Texas). Dallas District Office, Crane Building, 1200 Jackson Street, Dallas, Tex. This office will officially open for business April 23 in the Regional Office at 3306 Main Street, Dallas, Tex., because space is not yet available at what will be the future address.

Region XI (Colorado, New Mexico, Utah, Wyoming). Denver District Office, New Custom House, Denver Colo.

Region XII (Arizona, California, Nevada). San Francisco District Office, Flood Building, Second Floor, San Francisco, Calif. This office will assume operations in the coastal counties of the present Oakland, Calif., District, its Eastern and Southern boundaries being composed of the counties of Del Norte, Humboldt, Mendocino, Lake, Napa, Marin, San Francisco, San Mateo, Santa Clara, San Benito, and Monterey.

The Oakland, Calif., District Office will continue to serve the balance of the territory formerly allocated to it, consisting of that area between the above-described boundary and an Eastern and Southern boundary composed of the counties of Siskiyou, Shasta, Tehama, Butte, Yuba, Nevada, Placer, El-

dorado, Amador, Calaveras, Tuolumne, Madera and Merced.

* * * * *

With the exception of Albany, N. Y., and San Francisco, Calif., the above-named District Offices will assume the operating functions presently carried out by the Regional Offices as designated in Organizational Statement Amendment of March 1, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MAY 11, 1951.

[F. R. Doc. 51-5614; Filed, May 11, 1951; 11:45 a. m.]

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

DESIGNATION OF ACTING DIRECTOR, DIVISION OF SLUM CLEARANCE AND URBAN REDEVELOPMENT

ORGANIZATION DESCRIPTION, INCLUDING DELEGATIONS OF FINAL AUTHORITY

I hereby designate and appoint, subject to the provisions hereof, an Acting Director of the Division of Slum Clearance and Urban Redevelopment, Office of the Administrator, Housing and Home Finance Agency. In the event the Director of the Division is unable to act as Director due to his absence, illness or other cause, or in the event of a vacancy in that office, the Assistant Director of the Division shall be the Acting Director and shall serve in the place and stead of the Director; and in the event the Director and the Assistant Director are unable to act because of any such reason, the Chief, Planning and Engineering Branch in such Division shall be the Acting Director and shall serve in the place and stead of the Director.

While serving in such capacity, the Acting Director shall exercise the powers and functions and assume the duties and responsibilities of the Director.

All designations of an Acting Director and delegations of authority to him heretofore made by the Director of the Division of Slum Clearance and Urban Redevelopment are hereby ratified and approved; and all official acts and things performed pursuant to such designations and delegations of authority are hereby ratified, confirmed and approved in all respects to the same extent as if such acts were performed by the Director of the Division of Slum Clearance and Urban Redevelopment.

This order supersedes the order effective January 11, 1951 (16 F. R. 290) respecting this same subject.

(Reorg. Plan No. 3 of 1947, 61 Stat. 954 (1947); 62 Stat. 1268, 1283-85 (1948), 12 U. S. C. 1701c (Supp. 1949), as amended by Pub. L. 475, 81st Cong., 2d Sess., sec. 503 (April 20, 1950); 63 Stat. 413, 417 (1949), 42 U. S. C. 1456 (Supp. 1949); 63 Stat. 440 (1949), 12 U. S. C. 1701d-1 (Supp. 1949))

Effective this 12th day of May 1951.

RAYMOND M. FOLEY,
Housing and Home Finance Administrator.

[F. R. Doc. 51-5504; Filed, May 11, 1951; 8:48 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 26083]

BENZENE HEXACHLORIDE FROM TERRE HAUTE, IND., TO ELKTON, MD.

APPLICATION FOR RELIEF

MAY 9, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. C. Schuldt, Agent, for carriers parties to his tariff I. C. C. No. 3758, pursuant to fourth-section order No. 9800.

Commodities involved: Benzene hexachloride, carloads.

From: Terre Haute, Ind.

To: Elkton, Md.

Grounds for relief: Circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-5490; Filed, May 11, 1951; 8:46 a. m.]

[4th Sec. Application 26084]

DRUGS AND MEDICINES FROM PEORIA, ILL., TO INDIAN ORCHARD, MASS.

APPLICATION FOR RELIEF

MAY 9, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. C. Schuldt, Agent, for carriers parties to his tariff I. C. C. No. 3758, pursuant to fourth-section order No. 9800.

Commodities involved: Drugs, medicines, chemicals and toilet preparations, carloads.

From: Peoria, Ill.

To: Indian Orchard, Mass.

Grounds for relief: Circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-5491; Filed, May 11, 1951; 8:46 a. m.]

[4th Sec. Application 26085]

COAL FROM SOUTHERN ILLINOIS TO INDIANA

APPLICATION FOR RELIEF

MAY 9, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. G. Raasch, Agent, for carriers parties to the tariffs listed below.

Commodities involved: Soft coal or bituminous fine coal which has passed through a bar screen not exceeding one and one-half inches between bars or its equivalent, carloads.

From: Centralia, Ill., and southern Illinois groups.

To: Davin, Ind., and other points in Indiana.

Grounds for relief: Circuitous routes, market competition, and to maintain grouping.

Schedules filed containing proposed rates: C&EI RR. tariff I. C. C. No. 2, Supp. 132. CB&Q RR. tariff I. C. C. No. 20215, Supp. 5. IC RR. tariff I. C. C. No. E-1850, Supp. 5.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-5492; Filed, May 11, 1951; 8:46 a. m.]

[4th Sec. Application 26086]

ILMENITE ORE FROM MELBOURNE, FLA., TO CERTAIN POINTS

APPLICATION FOR RELIEF

MAY 9, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to Agent C. A. Spaninger's tariff I. C. C. No. 1188.

Commodities involved: Ilmenite ore and concentrates, carloads.

From: Melbourne, Fla.

To: Chicago, Ill., Milwaukee, Wis., and Pittsburgh, Pa.

Grounds for relief: Competition with rail carriers and circuitous routes.

Schedules filed containing proposed rates: C. A. Spaninger's tariff I. C. C. No. 1188, Supp. 20.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 51-5493; Filed, May 11, 1951; 8:46 a. m.]

[Sec. 5a Application 33]

CENTRAL STATES MOTOR COMMON CARRIERS

APPLICATION FOR APPROVAL OF AGREEMENT

MAY 8, 1951.

The Commission is in receipt of the above-entitled and numbered application for approval of an agreement under the provisions of section 5a of the Interstate Commerce Act.

Filed May 7, 1951 by: Chester G. Moore, Attorney-in-Fact, 29 East Madison Street, Chicago 2, Ill.

Agreement involved: An agreement between and among common carriers by motor vehicle relating to rates, charges, exceptions to classification ratings, rules, regulations, or practices governing the transportation of property in interstate commerce within Central territory, as defined in Motor Carrier Rates in Central Territory, 8 M. C. C. 233, and procedures for the joint initiation, consideration, and establishment thereof.

The complete application may be inspected at the office of the Commisssion in Washington, D. C.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 20 days from the date of this notice. As provided by the general rules of practice of the Commission, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 51-5489; Filed, May 11, 1951; 8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File Nos. 54-50, 54-82, 54-147, 59-10, 59-39]

NORTH AMERICAN CO. ET AL.

ORDER DENYING APPLICATIONS FOR FEES AND EXPENSES

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 7th day of May A. D. 1951.

In the matter of The North American Company and its subsidiary companies, File No. 59-10; The North American Company, File No. 54-82; North American Light & Power Company, Holding Company System, and The North American Company, File No. 59-39; North American Light & Power Company, File No. 54-50; Illinois Power Company, File No. 54-147.

The Commission by orders dated February 28, 1947, and June 25, 1947, having approved a plan filed under section 11 (e) of the Public Utility Holding Company Act of 1935 by The North American Company, a registered holding company, for the liquidation and dissolution of its subsidiary, North American Light & Power Company, also a registered holding company; and

Said orders having reserved jurisdiction over the payment of all fees and expenses payable in connection with the plan and applications for payment of fees and expenses having been filed by certain of the participants in the proceedings relating to the plan; and

Public hearings having been held and the Division of Public Utilities of the Commission having issued a Recommended Findings and Opinion; and

The Commission having issued its memorandum opinion and order, dated December 21, 1950, in which it released jurisdiction with respect to the payment of certain fees and expenses, and deferred action with respect to the applications of Amelie A. Wallace and John Wallace, Irving Steinman, I. S. Friedman and Lewis M. Dabney, Jr., as to whom the Division of Public Utilities had recommended that no allowances be made, and the application of James F. Masterson, as to whom the Division recommended that no further allowance be made in addition to fees and expenses already received by him; and

Exceptions to the Division's recommended findings and opinion, and briefs, in support of such exceptions having been filed and oral argument presented by certain of the above-named applicants, and the Commission having this day issued its Memorandum Opinion with respect to such recommendations and exceptions:

It is ordered, That the applications in the above-entitled proceedings of Amelie A. Wallace and John Wallace, Irving Steinman, I. S. Friedman and Lewis M. Dabney, Jr. for allowances for fees and expenses, and by James F. Masterson for the allowance of a further sum in addition to fees and expenses already received by him be, and each of them hereby is, denied.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-5483; Filed, May 11, 1951; 8:46 a. m.]

[File No. 70-2598]

NEW ENGLAND GAS AND ELECTRIC ASSN. AND ALGONQUIN GAS TRANSMISSION CO.

ORDER DENYING REQUEST FOR REHEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 7th day of May A. D. 1951.

The Commission on April 13, 1951, having issued an order approving the proposed issuance and sale by Algonquin Gas Transmission Company of not more than 77,500 additional shares of $100 par value common stock and the acquisition of a portion of such stock by New England Gas and Electric Association ("Negea"); and

A request for a rehearing with respect to such order having been filed on behalf of certain unnamed persons who are said to be stockholders of Negea; and

The Commission having duly considered the request for rehearing, and it appearing that said request raises no matters of substance not previously considered by the Commission, that such request was not filed within the period prescribed by Rule XII of the Commission's rules of practice and that it does not disclose the names of the persons on whose behalf it is said to have been filed:

It is ordered, That said request be, and it hereby is, in all respects denied.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-5481; Filed, May 11, 1951; 8:45 a. m.]

[File No. 70-2620]

ALGONQUIN GAS TRANSMISSION CO.

NOTICE OF FILING

At a regular session of the Securities and Exchange Commission, held at its

office in the city of Washington, D. C., on the 7th day of May A. D. 1951.

Notice is hereby given that an application-declaration has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 (the "act"), by Algonquin Gas Transmission Company ("Algonquin"), a subsidiary of New England Gas and Electric Association ("Negea"), a registered holding company. Applicant-declarant has designated sections 6 (b) and 7 of the act and Rule U-50 promulgated thereunder as applicable to the proposed transactions.

Notice is further given that any interested person may, not later than May 21, 1951, at 5:30 p. m., e. d. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law raised by said application-declaration proposed to be controverted, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time thereafter, said application-declaration, as filed or as amended, may be granted or permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof.

All interested persons are referred to said application-declaration which is on file in the office of this Commission for a statement of the transactions therein proposed, which are summarized as follows:

Algonquin proposes to issue and sell privately to insurance companies $24,000,000 aggregate principal amount of its First Mortgage Pipeline Bonds, 3¾ percent series, due 1971. Under certain circumstances described below, the company may issue and sell an additional principal amount of such bonds not to exceed 15 percent of the $24,000,000 specified above. The names of the companies to which the bonds are to be sold and the respective amounts of bonds to be sold to each of them, subject, in each case, to a possible increase of up to 15 percent of the amount shown, are as follows:

Metropolitan Life Insurance Co.	$12,000,000
John Hancock Mutual Life Insurance Co.	8,500,000
Massachusetts Mutual Life Insurance Co.	2,000,000
New England Mutual Life Insurance Co.	1,500,000

The bonds are to be issued under and secured by a First Mortgage and Deed of Trust to be dated as of March 1, 1951. In accordance with the terms of a bond purchase agreement to be entered into between Algonquin and the purchasers, the bonds are to be sold for cash at 100 percent of principal amount, plus accrued interest, and will be issued and sold in lots of not less than $4,000,000 principal amount when and as funds are required. A commitment fee of ½ of 1 percent of the unused balance of the total commitment from the date of the purchase contract to the date the commitment is exercised will be paid.

The filing indicates that the proceeds from the issuance and sale of the bonds will be used to provide a portion of the funds required for the development and construction of pipeline facilities to supply natural gas to distribution companies in New Jersey, Connecticut, Rhode Island and Massachusetts. It also indicates that, based on present price levels, the estimated cost of such development and construction, including an allowance of about $2,000,000 for working capital, amounts to approximately $32,000,000. Of this amount, $5,609,325 has been obtained through the issuance and sale of common stock, and subscriptions have been received for the purchase of additional common stock in the amount of $2,390,675 or an aggregate of $8,000,000.

The applicant-declarant states that the cost of labor and material and of acquiring rights-of-way may increase during the period of construction. In such event, Algonquin contemplates increasing its capitalization by not more than 15 percent in such a manner as to maintain the presently contemplated ratio of bonds and common stock to total capitalization of 75 percent and 25 percent respectively.

Applicant-declarant requests an exemption from the competitive bidding requirements of Rule U-50 and that the Commission's order be issued as soon as possible and that it become effective forthwith upon issuance.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-5482; Filed, May 11, 1951; 8:45 a. m.]

[File No. 811-296]

COLLATERAL TRUSTEE SHARES, SERIES "A"

NOTICE OF MOTION TO TERMINATE REGISTRATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 8th day of May A. D. 1951.

Notice is hereby given that the Division of Corporation Finance has filed a motion for an order pursuant to section 8 (f) of the Investment Company Act of 1940 declaring that Collateral Trustee Shares, Series "A", a registered investment company, has ceased to be an investment company.

The Division of Corporation Finance has been advised that the trust agreement dated January 31, 1928, under which Collateral Trustee Shares, Series "A" were issued terminated on January 31, 1948; that all the assets have been distributed to its shareholders with the exception of $8,575 which is held by Empire Trust Company for distribution to those stockholders who have failed to collect their pro-rata share and a reserve of $1.6453468 per trust share amounting to a total of $40,133.66 is being held by Empire Trust Company pending determination of amounts due for taxes, legal fees and expenses.

All interested persons are referred to said motion which is on file at the office of this Commission in Washington, D. C., for a more detailed statement of the matters of fact and law therein asserted.

Notice is further given that an order declaring that the registration of Collateral Trustee Shares, Series "A" has ceased to be in effect, subject to such conditions as the Commission may deem necessary or appropriate, may be entered by the Commission at any time after May 25, 1951, unless prior thereto a hearing in this matter shall be ordered by the Commission, as provided by Rule N-5 of the rules and regulations promulgated under the act. Any interested person may, not later than May 23, 1951, at 5:30 p. m., submit to the Commission in writing his views or any additional facts bearing upon this motion or the desirability of a hearing thereon or request the Commission in writing that hearing be held, stating his reasons therefor and the nature of his interest in the matter. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 51-5480; Filed, May 11, 1951; 8:45 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 17687]

DRESDNER BANK

In re: Bonds owned by Dresdner Bank. F-28-176.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Dresdner Bank, the last known address of which is Berlin, Germany, is a corporation, partnership, association or other business organization, organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany, and is a national of a designated enemy country (Germany);

2. That the property described as follows: Those certain debts or other obligations, matured or unmatured, evidenced by Two (2) American Power and Light Company Gold Debenture Bonds, American 6 Percent Series, due 2016, each of $1,000.00 face value, bearing numbers 30408 and 39104, together with any and all accruals to the aforesaid debts or other obligations, and any and all rights to demand, enforce and col-

lect the same, and any and all rights in, to and under the aforesaid bonds,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Dresdner Bank, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on April 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-5496; Filed, May 11, 1951; 8:47 a. m.]

[Vesting Order 17734]

UNION INVESTMENT CORP., INC.

In re: Securities owned by and debts owing to Union Investment Corporation, Inc. F-28-31199.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Dr. Georg Barth, whose last known address is Samstagstrasse 2, Lauf bei Nuernberg, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That R. C. Weigmann Nachlass, whose last known address is Weigmannstrasse 27, Lauf bei Nuernberg, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

3. That Union Investment Corporation, Inc., Panama, Republic of Panama, is a corporation, partnership, association or other business organization, organized under the laws of Panama, Republic of Panama, whose principal place of business is located in the City of Panama, Republic of Panama, and is, or since the effective date of Executive Order 8389, as amended, has been controlled by, or a substantial part of the stock of which is, or has been owned or controlled by, directly or indirectly, the aforesaid Dr. Georg Barth and R. C. Weigmann Nachlass, and is a national of a designated enemy country (Germany);

4. That the property described as follows:

a. Those certain debts or other obligations, matured or unmatured, evidenced by ten (10) New York Central Railroad 4½ percent Ref. & Imp. Mtge. "A" bonds, due 2013, each of $1,000.00 face value and numbered as follows: 34862, 35164, 52480, 67647, 92294, 92295, 92296, 80201, 90395, 98240;

together with any and all accruals to the aforesaid debts or other obligations, and any and all rights to demand, enforce and collect the same,

b. Three Hundred Fifty (350) shares of common stock of International Packers Limited, 50 Broadway, New York, New York, a corporation organized under the laws of the State of Delaware, evidenced by certificate numbered C012637 for 50 shares and certificates numbered C15074/76 for 100 shares each, said certificates registered in the name of Hurley & Co., together with all declared and unpaid dividends thereon,

c. One Hundred Forty (140) shares of no par value common stock of South Porto Rico Sugar Company, 15 Exchange Place, Jersey City, New Jersey, a corporation organized under the laws of the State of New Jersey, evidenced by certificate numbered C097853 for 40 shares and certificate numbered C61365 for 100 shares, said certificates registered in the name of Hurley & Co., together with all declared and unpaid dividends thereon,

d. One Hundred Forty (140) shares of no par value common stock of Cerro de Pasco Copper Corporation, 40 Wall Street, New York, New York, a corporation organized under the laws of the State of New York, evidenced by certificate numbered 0241843 for 40 shares and certificate numbered 129826 for 100 shares, said certificates registered in the name of Hurley & Co., together with all declared and unpaid dividends thereon,

e. That certain debt or other obligation of Brown Brothers Harriman & Co., 59 Wall Street, New York 5, New York, in the amount of $14,472.90 as of September 8, 1949, representing a portion of funds on deposit in a "General Ruling No. 6 Account" held for Credit Suisse, Berne, maintained by the aforesaid company, together with any and all accruals to the aforesaid debt or other obligation, and any and all rights to demand, enforce and collect the same, and

f. That certain debt or other obligation of The National City Bank of New York, 55 Wall Street, New York, New York, in the amount of $16,405.70 as of September 8, 1949, representing a portion of funds on deposit in a Current Account held for Credit Suisse, Berne, maintained by the aforesaid bank, together with any and all accruals to the aforesaid debt or other obligation, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Union Investment Corporation, Inc., Panama, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

5. That Union Investment Corporation, Inc., Panama, is controlled by, or acting for or on behalf of a designated enemy country (Germany) or persons within such country and is a national of a designated enemy country (Germany);

6. That to the extent that the persons named in subparagraphs 1, 2 and 3 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on April 25, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-5497; Filed, May 11, 1951; 8:47 a. m.]

[Vesting Order 17756]

MARTHA MARQUARDT

In re: Bank Account owned by Martha Marquardt. F-28-31385-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Martha Marquardt, whose last known address is Henrietten str. 18, Kirchheim-Teck, Württemberg, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Martha Marquardt, by Security First National Bank of Los Angeles, Los Angeles, California, arising out of a savings account, account number 124062, entitled "Mrs. Martha Marquardt," maintained at the Seventh and Grand branch office of the aforesaid bank located at 601 W. 7th Street, Los Angeles, California, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on

account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on April 30, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-5498; Filed, May 11, 1951; 8:47 a. m.]

[Vesting Order 17759]

GRETCHEN OLTMANNS

In re: Bank account owned by Gretchen Oltmanns. F-28-31434-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Gretchen Oltmanns, whose last known address is Bremerhaven, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of Hoboken Bank for Savings, 101 Washington Street, Hoboken, New Jersey, arising out of a savings account, Account Number 204,624, entitled "Rudolf Oltmanns, Trustee for Gretchen Oltmanns," and any all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by Gretchen Oltmanns, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on April 30, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-5499; Filed, May 11, 1951; 8:47 a. m.]

[Vesting Order 17764]

BANQUE DE FRANCE

In re: Accounts maintained in the name of Banque de France, Paris, France, and owned by persons whose names are unknown. F-27-8946.

Under the authority of the Trading With the Enemy Act, as amended, Executive Orders 9193, as amended, 9788 and 9989, and pursuant to law, after investigation, it is hereby found:

1. That the property described as follows: All property, rights and interests in the accounts identified in Exhibit A attached hereto and by reference made a part hereof, together with

(a) Any other property, rights and interests which represent accumulations or accruals to, changes in form of, or substitutions for, any of the property, rights and interests in said identified accounts on October 2, 1950, and which are now held in other accounts being maintained as blocked or otherwise subject to the restrictions of Executive Order 8389, as amended, or regulations, rulings, orders or instructions issued thereunder, and

(b) Any and all rights in, to and under any securities (including, without limitation, bonds, coupons, mortgage participation certificates, shares of stock, scrip and warrants) and any and all declared and unpaid dividends on any shares of stock in any of said accounts,

excepting from the foregoing, however, all lawful liens and setoffs of the respective institutions in the United States with whom the aforesaid accounts are maintained,

is property within the United States;

2. That the property described in subparagraph 1 hereof is owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or is evidence of ownership or control by persons, names unknown, who, if individuals, there is reasonable cause to believe are residents of a designated enemy country and which, if partnerships, associations, corporations, or other organizations, there is reasonable cause to believe are organized under the laws of a designated enemy country or on or since the effective date of Executive Order 8389, as amended, have had their principal places of business in a designated enemy country;

3. That the persons referred to in subparagraph 2 hereof are nationals of a designated enemy country;

and it is hereby determined:

4. That to the extent that the persons referred to in subparagraph 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended, and the term "designated enemy country" has reference to Germany or Japan.

Executed at Washington, D. C., on April 30, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

[Accounts maintained in the name of Banque de France, Paris, France]

Column I Name and address of institution which maintains account	Column II Designation of account
J. P. Morgan & Co., Inc., 23 Wall St., New York, N. Y.	Banque de France, Paris, blocked account (90124), as described by J. P. Morgan & Co., Inc., in its report on Form OAP-700, bearing its Serial No. 16.

[F. R. Doc. 51-5500; Filed, May 11, 1951; 8:48 a. m.]

[Vesting Order 17787]

GEORGE WOLFRUM

In re: Estate of George Wolfrum, deceased. File D-28-11614; E. T. sec. 15826.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Julius Wolfrum, Christian Wolfrum, Elise W. Hessler, Agnes Pfeuf-

fer, Johanna Rother, Sophia Stelzer and Marie Leupold, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraph 1 hereof, and each of them, in and to the estate of George Wolfrum, deceased, is property payable or deliverable to, or claimed by the aforesaid nationals of a designated enemy country (Germany);

3. That such property is in the process of administration by Mathilda W. Kramer, administratrix, acting under the judicial supervision of the Probate Court of Hamilton County, State of Ohio;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 4, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-5501; Filed, May 11, 1951; 8:48 a. m.]

FLORENZ AUDRIE HOFFMANN

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Florenz Audrie Hoffmann, Dallas, Tex.; Claim No. 5867; $4,389.00 in the Treasury of the United States. All right, title, interest and claim of any kind or character whatsoever of Florenz Hoffmann in and to the trust created under the Last Will and Testament of George Beban, deceased; trust administered by Bankers Trust Co., New York, N. Y.

Executed at Washington, D. C., on May 8, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-5502; Filed, May 11, 1951; 8:48 a. m.]

RAYMOND MAILLET

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Raymond Maillet, Paris, France; Claim No. 31755; property described in Vesting Order No. 293 (7 F. R. 9836, November 26, 1942) relating to Patent Application Serial No. 254,743 (now United States Letters Patent No. 2,420,672).

Executed at Washington, D. C., on May 8, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-5503; Filed, May 11, 1951; 8:48 a. m.]